The Financial Times, November 25, 1976

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NEWS SUMMARY

GENERAL

Turkey, Russia hit by quake

A major earthquake measuring around 7.4 on the Richter scale hit Eastern Turkey and an area of the Soviet Union between the Caspian and Black Seas. Sweden's Uppsala Seismological Institute said the tremor's epicentre was in Soviet Armenia, within 100 miles of the borders with Turkey and Iran.

Turkish Radio reported 574 confirmed deaths but the acting governor of the devastated region said that up to 3,000

people had been killed. In Muradiye, close to the Iranian border, there were 500 deaths and 95 per cent. of the buildings were damaged.

The area shaken by the earthquake is largely mountainous and sparsely populated, but Yerevan, the Armenian capital, lies only 50 miles from the epicentre as specified by the Uppsala Institute. According to the U.S. National Earthquake Information Service, it hit an area about 100 miles west of Tbilisi, capital of the Republic of Georgia.

Rhodesian aircraft strafe Mozambique

Rhodesian aircraft pounded Mozambique positions in retaliation for a mortar and machine-gun barrage on soldiers hunting Nationalist guerillas, the country's Military Command stated. The Rhodesians claimed to have inflicted casualties, but did not say where the engagement took place. It is the first time Rhodesia has admitted using aircraft against Mozambique. Geneva conference Back Page

Protest at Maze conditions

Six women, naked except for blankets, squatted in a Belfast tent to protest at conditions for those on remand at the Maze Prison. Remand prisoners, demanding the return of special category status, had to be carried bodily into the dock at Belfast Magistrates' Court. A soldier on patrol died when a sniper opened fire in West Belfast.

Accidental fall

Mr. Cyril Bennett, London Weekend's programme controller, died accidentally when he fell from his sixth-floor Victoria flat, the Westminster Coroner decided. There was nothing to suggest that his death was deliberate.

Cruise cancelled

Thomson Holidays' cruise vessel the Ithaca has been stranded in Malaga, Spain, by a seamen's strike. More than 600 Britons due to leave yesterday have been offered their money back or replacement holidays.

Plonked outside

The National Union of Licensed Victuallers is to fight a plan by Unigate to test-market deliveries of wine through its milkmen at Harpenden, Herts., over Christmas.

David Storey has won the £5,000 Booker prize for fiction for Saville, his novel of pit life, published by Jonathan Cape.

Lieut. William Bligh's log book of his voyage on the Bounty after the mutiny fetched £55,000 at Christie's. Saleroom, Page 2

BUSINESS

Equities slip 1.3; gold down $2

● EQUITY leaders finished with slight losses, after prices had fluctuated fairly narrowly in slack trade. FT 30-Share Index closed at 299.9, down 1.3 on the day.

● GILTS also faced thin demand and the Government Securities Index eased 0.02 to 58.38.

● STERLING closed at \$1.6482½, a gain of 32½ points. Its trade-weighted depreciation widened to 45.6 (45.4) per cent.; dollar's widened to 1.82 (1.81) per cent.

● GOLD fell a further \$2 to \$130.75.

● WALL STREET was up 1.58 at 950.88 near the close.

● EXPORT HOUSES and commodity dealers have expressed concern at the impact of the exchange control restrictions introduced last week to stop the use of sterling in the finance of trade between other countries. Back page, Page 31

EEC to help steel makers

● EEC COMMISSION approved a package of measures to help the European steel industry, providing for production quotas and import curbs. The U.K. quota for the first quarter next year is expected to be the equivalent of 5.6m. tonnes of crude steel—the same as in the first quarter this year, but less than expected in the final quarter. Back Page

● REPORT by car industry managers, shop stewards and civil servants has concluded that Ford's Halewood plant operates less efficiently than a comparable factory on the Continent. Back Page

● UNION INITIATIVE is expected to-day to try to end the strike of Leyland toolmakers in Coventry. The strike of body-builders at Chrysler's Linwood factory is likely to end to-day. Page 13

● CHRYSLER is falling into line with the other main car makers by raising prices by an average of 5.9 per cent. from to-day. Page 13. Nissan fears that some of its U.K. dealers may switch to West European cars, now that U.K. imports of Japanese cars are unlikely to increase greatly. Page 7

● COMMERCIAL OIL is expected to start flowing from the Occidental Group's Piper Field within the next few days—the seventh U.K. field to be brought on stream. BP expects to start producing gas from the Forties Field early next year. Page 11

U.K. to share in £188m. contract

● AUSTRALIAN mining project contract worth £188m. has been awarded to Britain's Mitchell Cotts group in association with the Minenco subsidiary of Conzinc Riotinto of Australia. Page 22

● DENMARK faces growing disruption after a decision by oil and petrol drivers to continue a strike, which is already drying up supplies to industry. Page 4

● ARGENTINA signed a \$60m. loan agreement with a syndicate of British banks as part of a series aimed at raising up to \$350m. Page 24

● SWISS-BASED chemical group Sandoz is to raise about \$120m. in the Eurobond market with a combined equity and convertible issue. Page 25

● BROKERS Pidgeon Maguire and Co. and Cohen de Smitt are to merge. Page 8

COMPANIES

● TESCO increased pre-tax profit to £10.18m. (£9.22m.) in the 24 weeks to August 14. Page 21 and Lex

● HOUSE OF FRASER operating profit rose 49 per cent. to £4.89m. in the third quarter. Page 21 and Lex

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Allen (E.) Balfour	50	+ 4
BATs Inds.	235	+ 4
Bristol Plant	9	+ 3
Hallite Holdings	94	+ 5
Hawker Siddeley	385	+ 7
Hunting Gibson	116	+ 4
Kinloch	230	+ 40
Ladbroke	88	+ 3
Minet Holdings	129	+ 3
Pilkington	266	+ 4
Racal Elect.	218	+ 7
Robb Caledon	41	+ 3
Stocklake Holdings	26	+ 3
Tate and Lyle	228	+ 4
Tesco	27½	+ 1½
BH South	125	+ 17
Killinghall	280	+ 10
Northgate Expln.	405	+ 75

FALLS

Edworks (1936)	28	− 4
Foseco Minsep	124	− 10
Gillett Bros.	148	− 7
Group Lotus	12	− 3
GKN	228	− 4
Hulett's Crp.	108	− 9
McCorquodale	120	− 3
Unilever	380	− 4
BP	700	− 8
Anglo American	240	− 8
Cons. Gold Field Aust.	170	− 6
Doornfontein	250	− 25
Kinross	233	− 20
Randfontein Estates	£22	− 1

Economy—not Queen's Speech legislation—'will dominate'

Rise in jobless, warns Callaghan

BY RICHARD EVANS, LOBBY EDITOR

MR. JAMES CALLAGHAN warned the country yesterday that the rate of unemployment was likely to continue to rise in the U.K. in the coming months because of the failure of world trade to improve as rapidly as expected.

In a Commons speech, launching the legislative programme for the coming session, Mr. Callaghan concentrated heavily on Britain's economic difficulties and emphasised the sacrifices that would have to be made by the community.

The problems facing the Government as the Cabinet prepares to-day for the harsh cuts in public borrowing that will be necessary to secure the IMF loan, were underlined by the Prime Minister's forecast that the rate of inflation would not decline over the next few months.

The grim tone of Mr. Callaghan's speech confirmed both Labour and Conservative MPs in their view that the coming session will be dominated by the economy rather than the major items of legislation contained in the Queen's Speech.

Mr. Callaghan's attitude was that the Government intended to remain in power to complete its legislative programme so long as it maintained its majority in the Commons.

He promised there would be no short-term gimmicks and the Government would remain "steadfast in bringing about the economic and political changes necessary for Britain's long-term recovery."

The major item of legislation in the session is without doubt the measure devolving substantial powers to separate assemblies in Scotland and Wales. The Devolution Bill which will be presented on Tuesday and debated before Christmas, is the most significant constitutional change introduced this century.

Ministers see it as essential to secure the legislation by the end of the session if the challenge from the Scottish National Party is to be met effectively and the prospect of the U.K. breaking up ended.

But the measure continues to meet fierce resistance, and it seems probable that substantial modifications might have to be made to the Bill

Ministers are already preparing to neutralise much of the anti-devolution feeling by offering a referendum on the proposals if they see this as essential to save the centre-piece of their legislative programme.

A second major constitutional measure, which will institute direct elections to the European Parliament, will not be introduced until much later in the session when it is hoped that the Devolution Bill will be well on its way through Parliament.

Ministers continue to insist that there is every intention of getting the Bill on to the Statute Book by autumn, but there are indications that the Direct Elections Bill may not complete its passage because of lack of time.

The target date for the first direct elections to Strasbourg is May or June, 1978. There is a growing belief in Whitehall that the date is an unrealistic one for the U.K.

A major Bill that the Government is determined to get through, however, is the Aircraft and Shipbuilding Industries Bill, which was lost in the last session because of the implacable opposition in the Lords to the inclusion of ship repair companies.

The Bill will be reintroduced this week, have its second reading in early December, and be forced through the Commons as rapidly as possible.

It will then be up to the Lords to decide whether to allow it to pass quickly with the 12 ship repair yards included, or to delay it until the end of the session by the use of their built-in majority. The Bill would then become law under the terms of the Parliament Act.

In total, there are 16 Bills promised in the Queen's Speech—far fewer than usual because of the length of time the Devolution Bill will take—but others may be introduced at a later stage if time can be found. The Lending Rights Bill may come into this category.

Other important items, include legislation on industrial democracy after the Bullock

Continued on Back Page

A warning that further deflationary measures could have a damaging effect on the social contract relationship between the Government and trade unions was given yesterday by Mr. Len Murray, general secretary of the TUC.

TUC leaders are to seek a meeting with the Prime Minister, ostensibly to complain about the Government's decision to delay appointment of safety representatives in industry on cost grounds, at which they will express concern about the overall economic situation. The TUC general council, which recently put its economic case to International Monetary Fund representatives at the invitation of the Chancellor, warned that "deflation, whether caused by public spending cuts, increased taxes or both," would have most serious consequencies. Page 13.

Text of Queen's Speech. Parliament and other reaction, Page 12. ● Editorial comment Page 18

Japan offers to curb car exports and buy more EEC farm produce

BY CHARLES SMITH, FAR EAST EDITOR

TOKYO, Nov. 24.

JAPAN WILL offer to increase its imports of European farm products and to restrain its car exports to the U.K. under the terms of a letter setting out its proposals for correcting the Japanese trade imbalance with Europe which is due to be delivered to the EEC Commission to-morrow.

Mr. Takeo Miki, the Prime Minister, will approve the final text to-night and also indicate his readiness to hold bilateral talks with the EEC both at government level and at industry-to-industry level on worldwide shipbuilding problems.

Apart from these short-term concessions, however, the Japanese are making it clear that they will not submit to European pressure for major new restraints on exports.

Precise details of the Japanese proposals for dealing with the EEC trade problems were not being released to-night and will not be published until the EEC Commission itself has received the letter and had a chance to react to it.

However, summaries were made available by government spokesmen indicating that the Japanese are proposing a series of steps which could have an appreciable short-term impact on the balance of trade with the Community (now running in Japan's favour to the tune of about £2.5bn. a year).

Food products which stand to be affected by the proposed import liberalisation measures include butter, skimmed milk (quota to be trebled during the second half of the current Japanese fiscal year to 86,000 tonnes), and various types of meat and sausage products. Some of these were previously banned under Japanese health regulations.

Cigarettes

The Japanese note is also believed to promise liberalisation of cigarette and tobacco importing procedures and to propose an increase in the number of retail stores licensed to handle foreign cigarettes. The total value of these and other food import concessions was not spelled out by officials to-night.

These concessions (which appear to have been bitterly opposed by the Ministry of Agriculture) should have a marked short-term effect on the Japanese export earnings of certain EEC member countries including France and Denmark.

The letter appears to have handled the delicate problem of Japanese car exports to Britain by pointing out that Japanese motor manufacturers are now individually curtailing their shipments and stressing that these efforts have the support of the Government.

Nothing specific is being said about proposed percentage shares of the U.K. car market but it would appear that Japanese exporters are going to do their best to hold back shipments to the point where they will end the year with something like the 9.3 per cent. market share Japan had in 1975.

Most Japanese officials and businessmen regard shipbuilding as hte most difficult and dangerous of the various issues outstanding with Europe, but the Japanese letter predictably does not try to settle this by making undertakings about a given level of Japanese exports.

The point at issue is the relative shares of Japan and the EEC countries in the world shipbuilding market and the extent to which Japanese industry is prepared to reduce its operations. EEC shipbuilders have demanded bilateral talks on this and the Japanese are now apparently accepting.

Japan clearly hopes that the letter will be enough to stave off punitive action against Japanese exports whe nthe EEC Heads of State hold their summit meeting on November 29.

The note does not pretend, however, to offer final or complete solutions to the European trade problem. It is said to contain a preamble attributing the problem to basic causes such as the differing structures of the Japanese and European economies and the imbalance of effort between Japan and Europe in recent years in trying to develop sales in each other's markets.

The Japanese are also openly voicing their fears that submission to pressure for the introduction of export restraint would merely invite other countries (particularly the U.S.) to make similar demands.

Japan has already been asked by the U.S. to hold bilateral talks on steel exports, which it expects it will be asked to restrain in the way in which it is already doing in Europe

Japan's view of the present EEC trade situation is that exports whe the EEC Heads of a problem which has deep-rooted causes.

As the Japanese see it, the next stage is for problems in individual sectors — such as shipbuilding — to be talked over in detail and for European exporters to redouble their efforts to sell manufactured goods in Japan.

£ in New York

—	Nov. 25.	Previous
Spot	\$1.6500-6510	\$1.6360-6380
1 month	1.75-1.70 dis	1.75-1.63 dis
3 months	4.70-4.55 dis	4.75-4.65 dis
12 months	14.10-13.90 dis	14.10-13.90 dis

Steel union demands immediate talks on retirement at 60

BY CHRISTIAN TYLER, LABOUR STAFF

THE BIGGEST trade union in the steel industry will to-morrow *lodge a claim with the British* Steel Corporation for retirement age to be lowered to 60.

News of the move by the 104,000-member Iron and Steel Trades Confederation comes only a day after the miners' leaders called a ballot seeking support for industrial action to back a similar claim.

Mr. Bill Sirs, general secretary of the confederation, said yesterday the miners' decision had highlighted an important issue and would encourage the Government and nationalised industry employers to take seriously the demands of those whose jobs were particularly arduous.

The National Union of Mineworkers' claim for retirement at 60 from January 1, is in danger of breaching the pay policy. Mr. Sirs said his union would be taking the economic circumstances into consideration.

"We realise that this will have to be phased in and that it will be expensive, so we are looking most at certain categories, such as men who work on *coke ovens and blast furnaces.* But we want immediate negotiation for these people."

Like the miners, the steelworkers will be pressing for special attention for the men with the hardest jobs, and arguing that earlier retirement could open jobs for young unemployed who are among the hardest hit by the present recession.

Mr. Sirs said other steel unions were, like his own, commited to the principle of reducing the retirement age. The small, but important National Union of Blastfurnacemen, has already written to the BSC asking for negotiation on its claim for progressive reduction of retiring age to 60 by 1982. The NUM's ultimate target is 55 by the middle of 1980.

Pressure from the unions for what could be a costly scheme will not go down well with the British Steel Corporation: already struggling to overcome its own recession.

Meanwhile, the date of the miners' ballot was yesterday set *for December 8 and 9. Returns* have to be in by December 11, for counting by the Electoral Reform Society.

The papers will ask the miners whether they agree with their union's rejection of a Coal Board offer for staged voluntary retirement down to 62 years of age for underground workers when the incomes policy allows, and whether they will give the union's national executive authority to call industrial action "if necessary."

In Yorkshire, a leading branch secretary predicted that 90 per cent. of the area's 66,000 miners would vote for action. Mr. Charlie Churm, secretary of the Sharlston Colliery branch near Wakefield, said it had been every miner's dream for more than half a century to be able to retire at 60.

Editorial Comment, Page 18
News Analysis on miners' claim, Page 13

The Observer goes to U.S. oil company

BY KEVIN DONE, INDUSTRIAL STAFF

THE OBSERVER has been acquired by Atlantic Richfield, the U.S. oil corporation, which has obtained a 90 per cent. interest in the ailing Sunday newspaper. No money has been paid for this share by the oil company, but it has entered into a short-term legal commitment to ensure the paper's immediate future, although how much money this involves and over what period remains unclear.

The deal brings to a climax a series of negotiations pursued by The Observer over many months with several companies and individuals in an attempt to secure its future which was theatened by mounting losses and falling circulation.

Lord Goodman, chairman of The Observer trustees, said yesterday: "At the end of the day we have achieved a result with which we are very satisfied and in many ways it is better than we could have hoped for."

The trustees feel that the agreement with Atlantic Richfield offers the best opportunity *from the available offers of pre*serving "the editorial independence and distinctive character" of the paper.

One of the conditions of the agreement, say the trustees, "is that the purchasers will do their utmost to maintain the editorial traditions and journalistic standards of The Observer."

The deal, which has been broadly welcomed by The Observer chapels (union branch offices) was first proposed 12 days ago by Mr. Kenneth Harris, an Observer journalist, and Professor Douglass Cater, a director of the U.S. Aspen Institute for Humanistic Studies.

Over dinner in London they decided to try to interest Mr. Robert Anderson, chairman of both Atlantic Richfield and the Aspen Institute in acquiring The Observer. Sources close to the company in the U.S. say that the deal can only be understood in the context of the oil company's wide-ranging interest in public affairs. The Aspen Institute has a reputation of being one of the world's foremost think-tanks, and this intellectual reputation for independence was clearly found attractive by The Observer trustees.

The final composition of the new Observer Board has not been decided, but it will include Lord Barnetson, chairman of United Newspapers, Mr. Thornton Bradshaw, president of Atlantic Richfield, and Mr. Cater.

The deal means that a subsidiary of Atlantic Richfield will acquire 90 per cent. of Observer Ltd. and 87½ per cent. of the Observer Magazine. It takes over the plant and machinery but the freehold of the building is retained by Observer Holdings. It will be leased to the new company on favourable terms.

Above the new Board Mr. Anderson hopes to establish an extra advisory council which will attempt to "extend the *international reach*" of the paper by including "outstanding representatives" from a number of countries. The chairman is likely to be British.

Mr. Anderson said yesterday: "I have spent many years working with institutions engaged in the development and exchange of ideas. It is in the spirit of renewing and building a vital institution for communications that I welcome this opportunity to become a member of the Observer partnership.

"This has been a profitable publication for most of its 185-year history and we see no reason to believe that it cannot continue as a strong and viable publication."

Mr. Cater said yesterday: "We are all feeling the sense of a

Continued on Back Page
The negotiations, Page 18

FEATURES

ON OTHER PAGES

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LOMBARD

Distorted view of the money supply

BY ANTHONY HARRIS

THE SAVAGE reimposition of the Bank of England's "corset" on bank deposit-taking is not just a way of imposing credit *restrictions—though* it will certainly have a damaging effect on credit, as the stock markets have realised. It is also a way of rendering the growth of the money supply, which is supposed to be the variable which monetary policy aims to control, largely meaningless. This may indeed be what recommends the measure most strongly to the authorities, for as will be seen, the corset does more to limit monetary growth than to limit the growth of credit.

They privately admit that more than half the reduction in monetary growth which will result will be what they politely call "optical." Monetary control as proposed by monetarists is a matter of controlling the forces which make for monetary growth—public sector borrowing and funding, and the power of the banking system to lend on any increase in deposits—to produce *the desired monetary result.* The money supply measures the success of the policy.

Smaller part

The corset system takes a short way round these problems. It asks the financial markets to play the game backwards—to start from the final score, and work out appropriate moves to get there. By limiting the growth of interest-bearing bank deposits, under heavy penalties, the corset largely predetermines the future growth of the money supply (though not entirely). The markets then have to adjust to a system in which the banks are forced to play a smaller part.

The result will certainly include a good deal of disintermediation—and there is a word for you, as Humpty Dumpty would have put it. Basically the *banks cease to bid for deposits,* since the amount they can hold is limited, and bank deposit and CD rates fall. Those with funds to deposit turn to other outlets—company treasurers may buy Treasury bills or local authority paper. Borrowers will at the same time issue commercial paper if they have a good enough name.

As a result a good deal of the borrowing that used to be done through the banks will be done outside in what are called parallel markets, and both the public and private sectors will be able to borrow without any effect on the money figures. However, private citizens and companies *too small to command a saleable* name in the markets will be cut off. It is a very selective kind of squeeze. However, the drop in reported monetary growth will be something like two or three times as big as the *reduction in credit availability,* so the little man can comfort himself, if he finds it comforting, with the thought that he is suffering for the greater good (or for the good of the greater, if you prefer).

If the growth of the money supply actually represented an excessive growth of credit in the economy, this would clearly be a way of *evading the issue:* but in fact it is rather a bad measure.

Threat

The faults of the present "broad" monetary measure, M3, have been much discussed, and *I will only single out one or two* of them. For one, a sharp rise in interest rates is likely to produce a sudden rise in M3 simply because the banks, by offering higher interest rates, bid money away from other financial *institutions—notably the building* societies—whose deposits are not included in the money supply. The implied threat of a squeeze may also provoke precautionary drawing and re-depositing of overdraft facilities; and possibly *a certain amount of round-tripping,* where money is borrowed and re-invested in the money market because prime borrowers (including some public sector borrowers, I believe) can make a profit out of it. *Finally, M3 includes foreign currency* holdings of U.K. residents, so it automatically shoots up when the pound drops—a third of last month's growth was due to this cause.

One final observation: even if *M3 was a good measure, the use* of a deceptive restriction like the corset might still be justified if the target rate of growth was wrongly chosen in the first place. The fact is that the Chancellor's 12 per cent. target was *more or less pulled out of a hat,* and the fall in sterling has made it a great deal more restrictive than he intended. What we clearly need is better measurement and more rational targetry. Until then, faute de mieux, long live the corset.

RACING — BY DOMINIC WIGAN

Purchase seems worthy

DAVID MORLEY and Bob Davies, who have combined to land several attractively priced winners in the last two or three days, should continue their *profitable run* at Towcester this afternoon.

I expect they will win with *Saintly Purchase* and *Vulgan's Trout* and go close to scoring with Murray Flash. The first to run is the bay Welsh Saint gelding, Saintly Purchase, in the Showsley Hurdle.

A winner over the minor obstacles at Ascot and Doncaster last term—winning on the latter course by five lengths from *Minewa—Saintly Purchase* has had *only one race this* season. Just under a month ago the Bury St. Edmunds four-year-old ran well for a long way before tiring and finished unplaced behind Oranmore in Sandown's Doug Barrott Hurdle.

That run, his first for over six months, has brought Saintly Purchase on considerably, and it may give him the edge over Josh Gifford's five-year-old Sporadic, a promising third behind Oranmore at Folkestone, and the Peter Bailey trained six-year-old Brief Chance.

Brief Chance, a fast-finishing third behind Captain Ezra in the Waltham Hurdle at Leicester ten days ago, is suggested as the one most likely to bustle up the selection.

Vulgan's Trout, a powerful *eight-year-old with five second-*placed efforts from his last six runs (the sequence was interrupted with a dead heat) looks to have a favourite's chance in the Gayton Chase.

Morley's luckless Wily Trout gelding, a five lengths second behind the top class Glanford Brigg, from whom he was receiving more than two stone at Leicester early last week, should be up to conceding 5lb to Laurel Branch.

Although *Murray Flash* has strong claims to serious consideration for the Knight Frank and Rutley Opportunity Hurdle qualifying on his impressive mid-season form of last campaign, his two disappointing recent displays *make me favour Rajmataj.*

At to-day's other meeting at Taunton, *Uncle Leslie* should prove up to winning the Gauntlet Hurdle in which he meets Stocking on level terms and *Lantern Light* appeals as a sound bet for the Necktie Hurdle.

TAUNTON
1.00—Lantern Light*
2.00—Drumwynk
2.30—Uncle Leslie**

TOWCESTER
12.45—Saintly Purchase
1.15—Good Relations
1.45—Rajmataj
2.15—Tom Bombadil
2.45—Vulgan's Trout***

SALEROOM — BY ANTONY THORNCROFT

Bligh log-book makes £55,000

YESTERDAY was one of those *days when London reaffirmed its* position as the centre of the art world. Both Sotheby's and Christie's held extremely successful sales, with some extremely high prices.

Christie's had, perhaps, the *edge in human interest by selling* for £55,000, the log-book kept by Bligh of the Bounty after he had been set adrift with 18 loyal crew members after the mutiny.

The small leather-bound book contains in 100-odd pages the story of the 3,500-mile voyage of the 23 ft. open boat from the middle of the Pacific to the landing on Timor. It is effectively stained with seawater.

The logbook had stayed in the Bligh family, but its existence was unknown until recently. It was bought for an anonymous client by Maggs, the London booksellers, who outbid the Guildford dealer Traylen. There is a 10 per cent. buyer's premium to be paid on the price, which was £5,000 above Christie's upper estimate.

All told, the sale of atlases, and natural history and travel books, totalled £212,296, with over 98 per cent. sold.

A copy of John Gould's and Bowdler Sharpe's monograph on hummingbirds, spreading over five volumes and containing 360 hand-coloured lithographic plates, was bought by Sabin for £11,500, while another famous natural history work, Levillant's *Histoire Naturelle des Perroquets,* with 145 plates, went to Hammond for £7,200.

Mr. Michael Heseltine, Conservative spokesman on the environment, paid £7,200 for John Gould's *Birds of Great Britain* and Traylen acquired a copy of *Twelve Months of Flowers* by *Robert Furber, for the same* price.

Some high prices were paid at a Christie's silver auction, which realised £227,275, with over 97 per cent. sold.

A Dutch two-handled soup *tureen, cover and stand,* by Beumke of Amsterdam, made in 1794 and sent for sale by Baronne Alix de Rothschild, was bought by S. J. Phillips and Partridge Fine Art for £19,000—over three times the forecast.

A composite Charles II and George II silver gilt toilet service, made partly c. 1680 and partly in 1740, sent for sale by the Chequers Trust, was bought by Koopman for £12,500. A higher price was £16,500 double the estimate, from S. J. Phillips for a George II oblong tray by the celebrated Paul De Lamerie.

Michelangelo record

Christie's jewel sale made £179,841. A private buyer gave £25,000 for a sapphire and diamond ring, and the London dealer Graff paid £20,000 for a diamond ring set with a diamond of 12.25 carats. Both prices were on target.

In terms of price, Sotheby's managed even better. A Michelangelo black chalk study of a *male torso sold for an astonishing* £162,000 (plus the 10 per cent.) to a European private buyer.

It was an auction record for an Old Master drawing and compares with a previous high of *£42,000 for a Michelangelo, and* £58,000 for an Old Master, a Dürer drawing, sold in 1969.

The Michelangelo, which carried a pre-sale estimate of £40,000-£60,000, was the highlight in an auction of a further *31 Old Master drawings from* the Gathorne-Hardy collection. Between them, they brought in £416,150, with just two minor lots unsold.

Ward-Jackson, a London dealer, paid £78,000 for *Carpaccio's pen and brown ink Sacra Conversazione,* an auction record for the artist. The same buyer acquired *A Pagan Sacrifice* by De Maineri for £48,000.

Other notable prices were the £22,000 from Tan-Bunzl for a head of the Virgin by Giorgio and £19,000 from Ward-Jackson for a Cesi red chalk of a boy playing a viola.

Sotheby's brought to an end its week of Islamic auctions with a sale of paintings, some with Middle Eastern interest. The top price was £24,000, double the forecast, for *Ruins at Baalbec* by David Roberts. *The Carpet Seller,* by John Frederick Lewis, also doubled its estimate at £20,000 in an auction which realised £441,452.

APPOINTMENTS

Board posts at Thorn Consumer Electronics

Mr. Kevin F. Crumplin and Mr. James M. Ross have joined the Board of THORN CONSUMER ELECTRONICS. Mr. Crumplin will continue to be responsible for industrial relations within TCE. Mr. Ross has been appointed U.K. sales director in succession to Mr. "Jack" S. Wilson, who will remain a director until his retirement in 1977.

★

Mr. A. F. Rawson has been appointed chairman of H. C. JANES from December 1. Mr. Rawson is a main Board director of the Barratt Group, which acquired Janes in an agreed bid earlier this year.

★

Mr. L. R. Dowsett, chief executive and joint deputy-chairman of Federated Chemical Holdings, has joined the Board of TIOXIDE GROUP. This appointment is in preparation for the retirement of Mr. E. E. Stedman (also of Federated Chemical Holdings) from active business in March.

★

Mr. P. D. Tindley, whose retirement as deputy chairman of *B.A.T. Industries has already* been announced, will resign as one of the BAT representatives on the Board of MARDON PACKAGING INTERNATIONAL on November 30, and will be succeeded by Mr. N. J. M. Bennett, a director of B.A.T. Industries *from that date.*

★

Sir Jeremy Morse has taken over from Sir Gilbert Inglefield as chairman of the CITY ARTS TRUST. Mr. Wilfrid Dewhirst and Mr. Philip Chappell have become vice-chairmen. Mr. Kenneth Cork has given up his vice-chairmanship, but both Sir Gilbert and he are remaining on the Board. Mr. Nicholas Goodison and Mr. Ron Peat will be joining the Board.

★

Mr. John Freeman has become *chairman of the CAM FOUNDATION,* the national examining body for communications, advertising and marketing. Mr. Freeman, who is chairman of London Week-end Television and of Independent Television News, will take up this post on January 1. He succeeds Lord Robens, CAM's chairman since its inception in 1969, and now the first president.

★

Mr. Roger A. Pinnington, managing director of Cam Gears, has been appointed a director and *chairman of CAM-TRW (SOUTH AFRICA)* PTY., in addition to his responsibilities in this country. Earlier this year, Mr. Pinnington was appointed president to the Boards of TRW Italia and Cam Gears Italia.

★

Mr. John C. Hardy has been appointed a director of CHARTERHOUSE DEVELOPMENT, the development capital subsidiary of the Charterhouse Group.

★

Mr. R. Bowers and Mr. C. H. A. Skey have been appointed directors of BLAND PAYNE HOLDINGS. Mr. K. A. Carter, Mr. D. H. Payne, Mr. M. J. Small, Mr. R. J. Tilney and Mr A. N. Wheal have become directors of Bland Payne.

★

Mr. Leon Wilkinson is to be the regional general manager for North and East Midlands region of LLOYDS BANK in succession to Mr. Aleck Glendon, who is retiring after 42 years' service. Mr. Wilkinson, who takes up his new appointment on December 1, moves from the City Office branch of the bank, where he has been deputy manager.

★

Mr. N. Freeland, Mr. J. A. D. *Reckitt, Mr. J. E. Latham and* Mr. B. E. Ridehalgh, previously with Hart Morris and Co., will be joining McANALLY MONTGOMERY AND CO., stockbrokers, as associated members from November 29.

★

PECKSTON GROUP. *Mr. Peter* Arnold has been appointed director and general manager, Vernon Wire and Chain. Mr. Neil Manners becomes a director of Peckston Group Development from December 1. Mr. John Vaughan is made managing director, Peckston Engineering, from the same date.

★

Mr. G. A. Stout has been appointed a deputy chairman of the ASSOCIATION OF INVESTMENT TRUST COMPANIES on the *retirement of Mr. J. G. C. White,* after completion of his two-year term of office. Mr. White remains a member of the general committee. Lord Remnant continues as the other deputy chairman.

★

Mr. Richard Wiesz has been appointed marketing director ROUTIERS (British Isles and *Commonwealth).*

★

Mr. D. J. Pepper, executive director of ROLLS-ROYCE (1971) has been appointed a vice-chairman.

★

Mr. J. A. C. Evans *has been* appointed project manager, international rail traffic at the London headquarters of BRITISH RAIL.

★

Mr. R. E. Farr is to become secretary of BICC from January 1 in place of Mr. J. P. Hourst who retires at the end of the year.

★

Mr. R. J. Warren has joined the executive staff of the BRITISH ELECTRIC TRACTION COMPANY with a view to his being appointed to the Boards of subsidiary and associated companies.

★

The ASSOCIATION OF INDEPENDENT BUSINESSES elected Mr. Colin Dauris as chairman, succeeding Mr. Patrick Laszlo, who has been made president.

HOME CONTRACTS

Burmah company will build £3.5m. plant

PETROCARBON DEVELOPMENTS, Manchester, part of the Burmah Egnineering Company, *has been awarded a contract* worth more than £3.5m. by the British Gas Corporation for the design, manufacture, erection and commissioning of a 205 tonne per day natural gas liquefaction plant. Said to be the first of its type in Europe, the plant is scheduled for commissioning during the early part of 1979.

★

HARDSTOCK, part of the Babcock and Wilcox Group, is to build 62 new houses and flats in Trinity Street, North Shields, for the Metropolitan Borough of North Tyneside. The contract, worth more than £631,000, involves the traditional construction of 36 houses and 26 flats.

★

RACAL-MILGO, Reading, has won a £135,000 order from Thorn Television Rentals to supply high-speed data communications links. The equipment will allow visual display terminals at any of Thorn's 13 area accounts offices to communicate "on-line" with a computer at the company's Swindon computing centre. Operating over leased telephone lines, the network will go into operation early next year.

★

N. G. BAILEY AND CO. received a contract worth more than £250,000 from United Newspaper Publications for the general electrical installation at the new newspaper offices and printing works of the Northampton Chronicle and Echo.

★

FAIREY MARINE has been awarded an order from the Directorate of U.K. Customs for 10.6 metre Tracker Mk. 1 patrol boats. They will enter service in December.

★

Following successful trials a ton, truck-mounted crane developed by THOMAS SMITH AND SONS (RODLEY), part of Thos. W. Ward Group, has been approved by the Ministry of Defence, which has ordered cranes and associated spares.

★

CONNOLLY CONSTRUCTION COMPANY, Luton, Beds., signed contracts with Columbia First Housing Association for *erection of 12 flats at Luton* worth £123,181. The contract period 15 months.

TV/Radio

† Indicates programme in black and white.

BBC 1

9.41 a.m. For Schools, Colleges. 12.35 p.m. On The Move. 12.45 News. 1.00 Pebble Mill. 1.45 Barnaby. 2.00 You and Me. 2.14 For Schools, Colleges. 3.53 Regional News (except London). 3.55 Play School. 4.20 Astronut. 4.25 Jackanory. 4.40 Blue Peter. 5.05 John Craven's Newsround. 5.15 The Oddball Couple.
5.40 News.
5.55 Nationwide.
6.45 To-morrow's World.
7.10 Top of the Pops.
7.40 Sykes.
8.10 Kojak.
9.00 News.
9.25 The Big Time.
10.15 Omnibus—USA.
11.05 To-night.
11.45 Weather/Regional News.

All regions as BBC 1 except at the following times:

Wales—5.15-5.40 p.m. Bilidowcar. 5.55-6.45 Wales To-day. 6.45-7.10 Heddiw. 10.15-11.05 ". . . And The Pursuit of Happiness." 11.45 News and Weather for Wales.

Scotland—9.41-10.01 a.m. For Schools: Around Scotland. 5.55-6.45 p.m. Reporting Scotland. 11.45 News and Weather for Scotland.

Northern Ireland—3.53-3.55 p.m. Northern Ireland News. 5.55-6.45 Scene Around Six. 11.45 News and Weather for Northern Ireland.

England—5.55-6.45 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South West (from Plymouth).

BBC 2

11.00 a.m. Play School.
6.10 p.m. Open University.
7.00 News on 2 Headlines.
7.05 Your Move.
7.20 Newsday.
8.10 Top Crown.
8.35 First Impressions: The Book Programme's top *titles of the month.*
9.00 The Hollywood Musical: "Brigadoon," starring Gene Kelly and Cyd Charisse.
10.45 Late News on 2.
10.55 Family Portrait.
11.25 Closedown: Stephen Thorne reads "Metamorphosis," by Peter Porter.

LONDON

9.30 a.m. Schools Programmes. 12.00 Animal Kwackers. 12.10 p.m. Mister Trimble. 12.30 Women Alone. 1.00 News plus weather *and FT index. 1.20 Lunchtime* To-day. 1.30 Crown Court. 2.00 Good Afternoon. 2.25 South Riding. 3.20 Heart to Heart. 3.50 Emmerdale Farm. 4.20 The Little House on the Prairie. 5.15 Bless This House.
5.45 News.
6.00 To-day.
6.35 Crossroads.
7.00 Thursday Adventure Film: "Legend of the Lost," starring John Wayne and Sophia Loren.
9.00 The Squirrels.
9.30 This Week.
10.00 News.
10.30 The Crezz.
11.30 Phyllis.
12.00 What The Papers Say.
12.15 a.m. London Scene.
12.25 Close: Gordon Bailey reads one of his own poems.

All ITV regions as London except at the following times:

ANGLIA

1.25 p.m. Anglia News. 2.00 Women Only. 4.20 The Romper Room. 4.45 Anita in Jumbleland. 5.15 Black Arrow. 6.00 About Anglia. 6.20 Arena with Brian Connell. 7.00 Sez Les. 7.30 Thursday TV Movie: "Hijack" starring David Janssen and Keenan Wynn. 11.30 George Hamilton IV. 12.00 Striking With Gina. 12.30 a.m. The Living Word.

ATV MIDLANDS

1.20 p.m. ATV Newsdesk. 4.20 Batman. 4.45 Space 1999. 6.00 ATV Today. 7.00 Bugs Bunny Cartoon. 7.15 The Thursday *Mystery Movie: McMillan and Wife.* 11.30 Gardening Today. 12.00 Barrie Allcott: Talking about loneliness.

BORDER

†1.20 p.m. Border News. 2.00 Women Only. 4.20 Island of Adventure. 5.15 David Niven's World. 6.00 Border News and Lookaround. 7.00 The Thursday Adventure Film: "Operation Crossbow" starring Sophia Loren and John Mills. 11.30 Gardening Today. †12.00 Border News Summary.

CHANNEL

†1.20 p.m. Channel Lunchtime News and What's On Where. 4.20 The Adventures of Pinocchio, No. 8. 4.50 Lost In Space. †6.00 Channel News and Weather. 6.10 Woobinda. 7.00 Star Movie: "The Girl in the Red Velvet Swing." †10.30 Survival. †11.00 The Crezz. †11.55 News and Weather in French.

GRAMPIAN

1.20 p.m. Grampian News Headlines. 2.00 Women Only. 5.15 Wildlife Cinema. 6.00 Grampian Today. 7.00 Feature Film: "Operation Crossbow" starring Sophia Loren and Trevor Howard. 10.30 Sportscall. 11.10 The Crezz. 12.10 a.m. Evening Prayers.

GRANADA

1.20 p.m. Take Kerr. 2.25 Born Free. 5.10 This Is Your Right. 5.15 Crossroads. 6.00 Granada Reports. 6.30 Cartoon. 6.40 Lucky Feller. 7.15 The Thursday Film: "Moon Zero Two." 11.30 What The Papers Say. 11.45 Police Surgeon.

HTV

†1.20 p.m. Penawdau Newyddion y Dydd. 1.25 Report Wales Headlines. 2.00 Women Only. 4.20 Miri Mawr. 4.35 Byd Bach Iawn. 4.45 Return to the Planet of the Apes. 5.15 Breaktime 5. 5.20 Crossroads. 6.00 Y Dydd. 6.15 Report Wales. 6.30 Sports Arena. 7.00 The Adventure Film: "The Private War of Major Benson" starring Charlton Heston. 10.35 Our American Dream. 11.20 The Saint.

HTV General Service—As HTV Cymru/Wales except: 1.20-1.25 p.m. Report West Headlines. 4.20-4.45 The Woody Woodpecker Show. 6.00-6.15 Report West. 6.30-7.00 Happy Days. 10.35-11.05 Gallery. 11.05-12.25 The Thursday Mystery Movie: McMillan and Wife.

HTV West—As HTV Cymru/Wales except: 1.20-1.30 p.m. Report West Headlines. 4.20-4.45 The Woody Woodpecker Show. 6.00 Report West. 6.15 Sport West. 6.30-7.00 Happy Days. 10.35 Gallery. 11.05-12.25 a.m. The Thursday Mystery Movie: McMillan and Wife.

SCOTTISH

†1.25 p.m. Road and Weather Report. 2.00 Women Only. 4.20 Tarzan. 5.15 Calimero. 5.20 Crossroads. 6.00 Scotland Today. 6.30 Garnock Way. 7.00 Cartoon. 7.05 The Thursday Adventure Film: "Zeppelin" starring Michael York. 11.30 Late Call. 11.35 Moneywise.

SOUTHERN

1.20 p.m. Southern News and Weather. 2.00 Women Only. 4.20 Betty Boop. 4.25 The Wild Wild West. 5.20 Crossroads. 6.00 Day By Day. 6.35 University Challenge. 7.05 "Zeppelin." 11.30 Southern News Extra. 11.40 Chopper One.

TYNE TEES

9.25 a.m. Starting Point. 1.20 p.m. North East News and Lookaround. 2.00 Women Only. 2.25 Born Free. 4.20 The Thursday Film: "Thunderhead—Son of Flicka," starring Preston Foster and Roddy McDowall. 6.00 Northern Life. 7.05 The Thursday Adventure Film: "Zeppelin." 10.30 The Protectors. 11.00 Access. 11.30 The Mary Tyler Moore Show. 12.00 Epilogue.

ULSTER

1.20 p.m. Ulster News Headlines followed by Lunchtime. 3.40 Ulster News Headlines. 4.40 Black Arrow. 4.45 Castaway. 5.15 Here's Lucy. 6.00 UTV Reports. 7.00 Emergency. 8.00 The Crezz. 10.30 Countryscene—Sion Mills, Co Tyrone. 11.15 What's It All About.

WESTWARD

12.25 p.m. Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 4.20 The Adventures of Pinocchio. 4.50 Lost in Space. 6.00 Westward Diary. 7.00 Star Movie: "The Girl In The Red Velvet Swing," starring Ray Milland. 10.30 Westward Report. 11.00 Westward Late News. 11.05 The Crezz. 11.55 Faith for Life.

YORKSHIRE

1.20 p.m. Calendar News. 2.25 The Company Men. 4.20 "Thunderhead—Son of Flicka," starring Roddy McDowall and Preston Foster. 6.00 Calendar (Emley Moor and Belmont editions). 7.00 Cartoon Time. 7.05 The Thursday Adventure Film: "Zeppelin," starring Michael York and Elke Sommer. 11.30 Pro-Celebrity Snooker.

RADIO 1 — 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Simon Bates. 12.00 Paul Burnett, including 12.30 p.m. Newsbeat. 2.02 David Hamilton (S) (also on VHF). 4.30 It's DLT OK! 5.45 Newsbeat. 6.02 John Dunn (S) (joins Radio 2). 11.00 John Peel (S) (also on VHF). 12.00-12.05 a.m. As Radio 2.

RADIO 2 — 1,500m and VHF

6.00 a.m. News Summary. 6.02 Colin Berry (S), including 6.15 Pause for Thought. 7.02 Terry Wogan (S), including 8.27 Racing Bulletin, 8.45 Pause for Thought. 10.02-11.30 Pete Murray's Open House (S), including 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 1.50 p.m. Sports Desk. 1.55 Good Listening (VHF). 2.02 David Hamilton (S) as Radio 1, but including on 1,500m only (also 202m Scotland) 2.45 and 3.45 Sports Desk. 4.30 Waggoners' Walk. 4.45 Sports Desk. 4.47 John Dunn (S), including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 Don Davis's Just for Fun. 7.30 David Allan's Country Club (S). 9.02 Folkweave (S). 10.02 Sports Desk. 10.05 Syd Lawrence and his Orchestra, including Band Parade (S). 11.02 Jean Challis with The Late Show (1,500m only, also 202m Scotland. VHF joins Radio 1). 12.00-12.05 a.m. News.

RADIO 3 — 464m, Stereo & VHF

6.55 a.m. Weather. 7.00 News. 7.05 Overture: Haydn, Beethoven (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composer: Mozart (S). 9.55 Masters of the Lied (S). 10.35 Music for Violin by Hindemith, Bartok (S). 11.15 Brahms concert, part 1 (S). 12.05 p.m. Interval Reading. 12.10 Brahms, part 2. 1.00 News. 1.05 Manchester Mid-day Concert. 2.00 "Il Marito Disperato," comic opera in three acts, music by Cimarosa. Acts 1 and 2 (S). 3.05 In Short (talk). 3.15 Il Marito Disperato," Act 3 (S). 4.10 Macdowell's Piano Sonatas. 4.40 Austrian Radio Concert Season 1976 (S). 5.25 Cello Sounds (S). 5.45 Homeward Bound (S). 6.05 News. 6.10 Homeward Bound (continued). 6.30 Lifelines: The Wider World. 7.30 BBC Northern Symphony Orchestra (S). 8.30 The Art of Economics (talk by Attila Karamanoglu). 8.50 Virgil Thomson concert (S). 10.00 Drama Now (S). 10.30 French Choral Music: Fauré, Duruflé (S). 11.25-11.30 News.

RADIO 4 — 434m, 330m, 285m and VHF

‡ Medium Wave only

6.20 a.m. News. 6.22 Farming Today. 6.40 Prayer for the Day. 6.45 To-day. 7.00 News and more of Today including Sports News, Today's Papers and 7.25 Regional News (VHF). 7.45 Thought for the Day. 8.00 News and more of Today, including 8.25 Regional News (VHF). 8.45 Yesterday in Parliament. 9.00 News. 9.05 These You Have Loved. ‡10.00 News. ‡10.05 From Our Own Correspondent. 10.30 Daily Service. ‡10.45 Morning Story. ‡11.00 News. ‡11.05 You, The Jury. ‡11.50 Out of the Corner of my Eye. 12.00 News. 12.02 p.m. You and Yours. 12.27 My Word! (S). ‡12.55 Weather and programme news (VHF) (except London and SE) Regional News. 1.00 The World at One. 1.30 The Archers. 1.45 Woman's Hour (‡ from 2.00) including 2.00-2.02 News. 2.45 Listen with Mother. 3.00 News. 3.05 Afternoon Theatre. 3.50 Jack De Manio Precisely including 4.00-4.05 News. 4.35 Story Time. 5.00 PM Reports. ‡5.50 Financial Report. VHF Regional News. 5.55 Weather: programme news. 6.00 News. 6.15 Top of the Form. 6.45 The Archers. 7.00 News. 7.05 The World in Focus. 7.30 Any Answers? 8.00 Real-Life Love Stories. 8.45 Analysis: Liberty and the Law. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.45 A Book at Bedtime. 11.00 The Financial World Tonight. 11.15 Today in Parliament. 11.30 News.

For schools (VHF only) 9.05 a.m.-12.00 and 2.00-3.00 p.m.

BBC Radio London — 206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Susie Barnes with Rush Hour. 9.00 Carry on Councillor. 9.30 John Toogood with London Live. 11.03 Jenny Thompson and Diana Rice with In Town. 12.03 p.m. Call In, including 12.45 London News Desk. 2.03 Paul Owens with 206 Showcase. 4.03 Tony Fish with Home Run, including London News Desk. 6.00 Look, Stop, Listen. 7.30 Jenny Thompson and Diana Rice with In Town (as 11.03 a.m.). 8.30 Soul 77. 10.03 Late Night London. 12.00 Closedown—As Radio 2.

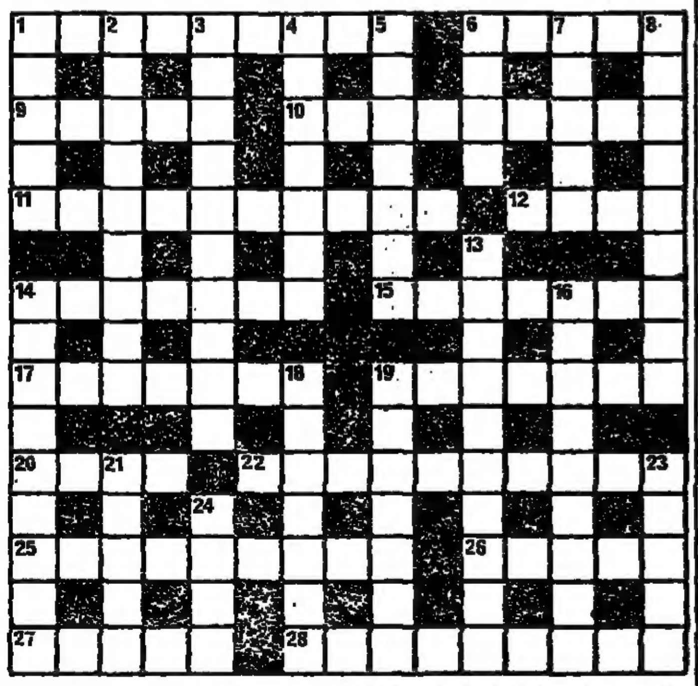
London Broadcasting — 261m and 97.3 VHF

5.00 a.m. Morning Music. 6.00 "AM"—breakfast-time show. 10.00 Brian Hayes—talking to London. 1.00 p.m. Newswatch. 3.00 Newsbreak. 8.00 Music in Stereo. 9.00 Nightline. 1.00-4.30 a.m. Nightwatch—news every half-hour through the night.

Capital Radio — 194m and 95.8 VHF

6.00 a.m. Graham Dene: The Breakfast Show. 9.00 Michael Aspel. 12.00 Dave Cash: Cash on Delivery. 3.00 Roger Scott. 7.00 London Today. 7.30 Open Line. 9.00 Your Mother Wouldn't Like It: Capital's heavy rock show. 11.00 Tony Myatt: The Late Show. 2.00-6.00 a.m. Night Flight.

F.T. CROSSWORD PUZZLE No. 3,243



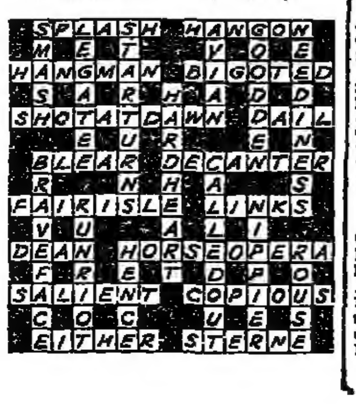
ACROSS

1 Austerity in novel form (4, 5)
6 Secret society takes a taxi for nearly everything (5)
9 A game of chance is nothing to a crooner (5)
10 Unpopular with the tax collector, but there is no comeback (3, 6)
11 A double blow distinguishes the corporal (3, 7)
12 Avoid what the drill sergeant says (4)
14 Sunspot possibly removes obstruction (7)
15 "I am the heir of all —— in the foremost files of time" (Tennyson) (3, 4)
17 Hit back? Let's! Take them on at croquet (7)
19 Jackets for those taking a trip (7)
20 Writers can be important people (4)
22 Divine care manifested in *Rhode Island (10)*
25 Roosevelt has to put up with just a toy (5, 4)
26 This poet is full of contradictions (5)
27 We get the steward when it is ruff (5)
28 "The insane root that takes —— prisoner" (Macbeth) (3, 6)

DOWN

1 Custom-made dress (5)
2 The bird to call fifty round the river (4-5)
3 Motor-cycles can be a handicap on the golf-course (3-7)
4 People find pickpockets in the hills (7)
5 Note the opening for one not in debt (7)
6 What the rooster did for the ship's company (4)
7 A skirmish can get in one's hair (5)
8 Outsize features in rude gestures (4, 5)
13 Reliance—not the day for celebration in the States (10)
14 High church in Essex (9)
16 Jealous pupils (5, 4)
18 Not a present but a past wind instrument (7)
19 Here is the vicar on the Irish disaster (7)
21 Evil for instance turns up as an emblem (5)
23 A place to eat in Germany (5)
24 We see force—can you deny it? (4)

Solution to Puzzle No. 3,242



هكذا من الاصل

Record review

The empress and the gipsy

by ELIZABETH FORBES

Massenet Esclarmonde. Sutherland. Tourangeau, Aragall, Davies, Quilico, Lloyd/National Philharmonic Orchestra / John Alldis Choir/Finchley Children's Music Group/Bonynge. Three records in box. Decca SET 612-4. £11.25.

Bizet Carmen. Troyanos, Te Kanawa, Burrowes, Berbié, Domingo, Sénéchal, Van Dam, Roux, Thau./LPO/John Alldis Choir/Boys Chorus, Haberdashers' Aske's School/Solti. Three records in box. Decca DIID 3. £9.95; cassette K11 K33 £9.95.

In the summer of 1886 Massenet heard a performance of *Parsifal* at Bayreuth: the consequences of the French composer's sojourn in Klingsor's magic garden are evident in *Esclarmonde*, which a contemporary critic unkindly described as "at the same time a small French *Tristan* and a small French *Parsifal*." The pliant Massenet's capitulation to Wagner was total, but he managed, unlike many fellow-composers, to retain his individuality unscathed. The score of *Esclarmonde* pays homage to the wizard of Bayreuth on nearly every page: yet there is hardly a bar which is not recognisably from the pen that wrote *Manon*. The other great influence on *Esclarmonde* derives from the singer who created—for once the word is justified—the title role in Paris at the Opéra-Comique on May 14, 1889.

The peculiarly intense relationships which Massenet established with his female interpreters—a kind of *amitié-amoureuse*—were an emotional necessity to the composer. His obsession with Sybil Sanderson, the beautiful young American soprano for whom he wrote Thaïs as well as Esclarmonde, was undoubtedly the most passionate he ever experienced. During two summers he worked on his opera in Switzerland at Vevey, by the Lake of Geneva; the second year Sanderson, heavily chaperoned by her mother and sisters, stayed in the same hotel (the long-suffering Mme. Massenet was conveniently holidaying elsewhere) while Esclarmonde's vocal line was painstakingly altered and re-altered until it could display to perfection the magnificent range, strength and tonal beauty of the soprano's voice.

The text of *Esclarmonde*, by Alfred Blau and Louis de Gramont, is based on a medieval romance, *Parthenopoeus de Blois*. Phorcas, Emperor of Byzantium, abdicates in favour of his daughter Esclarmonde. He has instructed her in magic arts, but to retain them she must, until the age of 20, live veiled from the eyes of men. The victor of a tournament can then claim Esclarmonde as bride. But she already loves Roland, a French knight, and has him transported to a magic island, where the two pass a rapturous night together. With the aid of a sword that belonged to St. George, Roland frees the city of Blois from the Saracens, but is tricked by the Bishop into betraying Esclarmonde, and the sword shatters. To save his life she renounces him, and Roland, seeking death, enters the tournament in Byzantium. Emerging as victor he refuses the Empress's hand until she unveils and he recognises his unknown beloved.

The Decca recording does ample justice to the romantic, lusciously-scored work. Richard Bonynge, affection and respect for the composer implicit in his conducting, draws enthusiastic support from the National Philharmonic Orchestra, the John Alldis Choir and the Finchley Children's Music

Christmas Books are reviewed on Pages 14 and 15

Group. No soprano alive could sing the title role better than Joan Sutherland—except possibly Miss Sutherland herself. The opera was revived for her two years ago in San Francisco and she is appearing in it this month at the Metropolitan, New York. On the recording she mixes brilliant vocalisation, as in the superb and superbly-sung Invocation of the Spirits, with occasional passages of under-articulated and under-vitalised singing: "Regarde-les, ces yeux plus purs que les étoiles," Esclarmonde's reproach to Roland on his betrayal, is one example.

In the two great love scenes with Roland—divided by an orchestral interlude of graphically vivid eroticism—she responds whole-heartedly to the challenge of the music. Massenet, unlike Richard Strauss, that other celebrator of the beauty of the soprano voice, also wrote magnificently for his tenors, and Roland is as generously treated as Werther; Giacomo Aragall sings with an ardent lyricism perfectly in character with the chevaleresque atmosphere of the work. Huguette Tourangeau is sympathetic as Parséis, Esclarmonde's sister, while Ryland Davies makes a devoted Enéas, fiancé to Parséis. Clifford Grant declaims majestically as Phorcas and Louis Quilico sounds suitably bigoted as the Bishop of Blois, who is portrayed with an anti-clericalism worthy of Verdi himself.

If *Esclarmonde* is an initially popular but recently undervalued masterpiece, *Carmen* is exactly the opposite, a work at first undervalued that has become one of the most popular ever written. The new Decca recording of Bizet's opera, conducted by Sir Georg Solti, is performed with the original spoken dialogue—heavily cut—instead of the Guiraud recitatives, and uses a modified version of the Oeser score. This is based on an early manuscript which differs quite considerably from the Choudens vocal score published in 1875 the year of the first performance. The pro-Oeser faction maintains that Bizet was forced to mutilate his opera during rehearsals, while anti-Oeser critics assert that the composer cut and changed his score quite willingly.

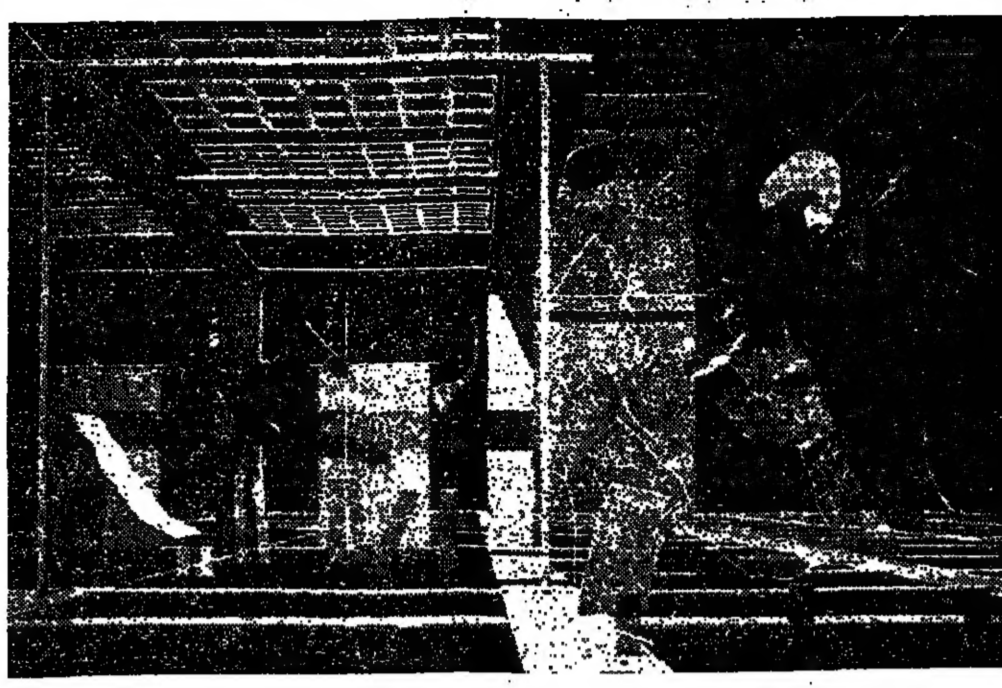
Solti, when he conducted *Carmen* at Covent Garden in 1973, adhered unconditionally to Oeser; since then he has qualified his views somewhat, and for the recording has made his own edition, a fusion of Oeser and Choudens (the exact details are given in the booklet that accompanies the records); he has also disarmed criticism by consulting the leader of the opposition—the Bizet authority, Winton Dean—and the result is a happy compromise, that retains some beautiful music presumably sacrificed for practical reasons, but which does not blunt the dramatic effectiveness of the work as a whole. Solti obtains a splendidly flexible, supple performance from the London Philharmonic, the ubiquitous John Alldis Choir and a fine team of soloists.

As Carmen, Tatiana Troyanos is less convincing than in the theatre, where her compelling physical presence adds greatly to her interpretation; but she sings powerfully—with a little too much vibrato for my taste—and deals adequately with the dialogue. Placido Domingo, on the other hand, makes a better Don José on disc than on stage, achieving by purely vocal means a depth of characterisation, especially in the third and fourth acts, lacking in his performance at Covent Garden. Kiri Te Kanawa sings Micaela's music with ideal smoothness and beauty of tone, while José Van Dam is a dangerous, justifiably vain Escamillo, far from the usual fatuous popinjay. It is a pleasure to hear a Frasquita and a Mercédès so mellifluous as Norma Burrowes and Jane Berbié; Michel Roux and Michel Sénéchal are exemplary as Dancaïre and Rémendado. Until the perfect *Carmen* comes along, this set offers a pretty good substitute.

Redfern Gallery

Lawrence Preece

by WILLIAM PACKER



Lawrence Preece: Reproduction of a famous work

Eccentricity is one of the more over-worked of our English virtues, a quality that we seize happily, to excuse any shortcoming, to trivialise any fault, to dignify any indulgence, re-assuring the conformist, who may be shocked or frightened by his own singularity, by making him the very type of his countrymen. We have no exclusive claim upon it, of course: but then we find that some of us are rather more eccentric than others, a few very eccentric indeed, and in a truer and more serious sense than that generally held. We see them taking up independent positions out of deep conviction, certain of their right to do so, and maintaining them with wilful consistency.

This is the true eccentric article, born out of freedom, curiosity, and independent habits of mind. And if we seem to have built up a tradition in producing such things, it can only be by the easiness and tolerance of our social institutions, that allow them, if not to flourish, at least to live unmolested.

Artists naturally figure among them, independent in eye and mind: and English society has ever been all too happy to help, by letting them go to the Devil in their own way. Fashion may intervene occasionally, to make a celebrity of one of them; but even he is really best left alone. And so it is not uncommon for artists to appear in this country who are not necessarily great, but at least significant, and always interesting: the list is long by now, and honourable—Hogarth, Blake, Gillray, Turner, for example, and later, Wyndham Lewis, Paul Nash, Stanley Spencer, Francis Bacon.

None of which is to say that artists never conform, nor that the flesh-pots and other blandishments, wife, children, house, car, security at large, are not attractive. Within the embattled laager of the art community, the pressures are firmly applied and hard to resist: hence the habitual coherency of the avant-garde, the succession of schools and isms.

So, between the Devil and the Deep Blue Sea, the emergence of an artist of genuine originality and independence is gratifying, and worth noting. Lawrence Preece, whose latest work is to be seen at the Redfern Gallery until the end of the month, is no debutant, but, though he has shown regularly in London, and taken part in important group exhibitions, notably the John Moores Exhibitions of recent years, he remains comparatively and unwarrantably obscure.

He is a figurative painter, though not always obviously so, and his work may best be characterised as drawing upon the peculiarly gentle strain of English surrealism. It is witty and informed, full of jokes, many of them rather ambitious and some extremely good, and constantly refers in upon itself, to Art and Art History. At the same time there is a physical delicacy to the work, a deft enjoyment of the paint and the watercolour, and the effects and spaces they evoke. Preece is indeed a landscape painter beneath it all, in the same way that Paul Nash was, and there are a great many parallels to be discerned between them, especially and obviously in subject-matter.

Preece calls his show *Improbable Sculptures and Objects for Casting Off into Space*; and, in putting his inventions before us, he ruthlessly and gleefully exploits the painter's privileges, annihilating scale, distorting space, making his own world. His stairs climb into the sky, his grids and trellises go on for ever, casting their shadows onto what might be the surface of the moon, so unearthly is it. His projects, even in his smallest watercolours, dwarf the most grandiose of Christo's schemes, which are ever resolutely earthbound.

The references to other Art are frequent, and obvious to anyone who shares such a pre-occupation, but not essential, for the work may be enjoyed independently of them in most cases, whether they nod to Kandinsky, Duchamp, Christo, or to whatever kind of conceptualism it might be. But the largest painting of all, and the most ambitious, would be too much a mystery to anyone not taking up the point that it is a reworking of Piero's Flagellation (a small painting itself, but on a grand scale). It has been translated, a platform in outer space, disembodied, dislocated and very strange.

Lyttelton

La Dispute

by B. A. YOUNG

Marivaux's *La Dispute*, his last play (of which a script seems totally unobtainable in this country), sounds in outline as if it belonged to his usual line of cultivated romances. Princess Hermiane and the Prince with whom she is in love have a typically Marivaudesque argument: which sex was the first to be inconstant in love. The Prince (who actually intended to give the Princess a birthday party) offers instead to stage a demonstration which will resolve the problem. He happens to have available four young people, two of each sex, who have been shut away from the world since their cradle days. None of the four has ever seen anyone but the two blacks, Carise and Mesrou, who tend them.

The four are loosed, one at a time, into a garden where they are allowed to meet one another and react in totally natural ways, unswayed by the fashions of the world. It need hardly be said that the result is universal disaster.

No one would expect a director like Patrice Chéreau to mount such a story in the delicately subtle style we associate with Marivaux. Instead, he has taken hold of all the elements of discord and disorientation in the tale and made of it a kind of post-Cocteau melodrama.

It is no doubt true that the plain aristocratic philosophy that the author offered (or so I assume, without having seen a script) is wildly over-produced; but the over-production is immensely exciting, and without it I suspect the play might not prove very interesting.

The initial conversation between the Prince (Roland Bertin), the Princess (Veronique Silver) and the three ladies-in-waiting has been reconstructed by François Régnault to include other of Marivaux's writings. It takes place on a small free stage on the audience's side of the orchestra pit, access to which is along a ramp running between the pit and the stalls. There is a good deal of music from a full orchestra, but this does not come from the orchestra pit, it comes from speakers beyond the curtain. What comes from the orchestra pit is jets of steam, introducing the touch of science-fiction that hangs over the evening.

This little stage is equipped with an array of mirrors which are used to light the Prince's party by reflecting light projected, sometimes in the narrowest of beams, from in front. There seems no point in such an arrangement, except that it provides a kind of scientific feeling and establishes the Prince as a Frankenstein character. At all events it is fascinating to see; indeed the lighting throughout, by André Diot, is spectacularly good.

In due course the Prince leads his party on to the stage across a bridge made by tearing up a plank from his platform, and the curtain rises to show a dark garden, high château walls on either side and flowing shrubs at the back.

Eglé and Azor, the first two experimental subjects, two little Kaspar Hausers, are brought on by their warders, the blacks Carise and Mesrou, played by Theresa Merritt and Thomas Anderson with thick American accents. They learn the elementary facts of life and begin to love one another almost as soon as they meet, though Eglé has already begun to love herself rather more.

When the second pair are brought in, the expected complications arise, and the reactions of the four children are charted by Marivaux with his usual cunning, though without any subtlety of language, since the four subjects speak only like small children. The scenes of their education are presented with great variety of imagination; good use is made of the pool in Richard Peduzzi's garden set, and the very walls of the house take part, detaching themselves from the main structure to illustrate the curious imaginings of the newly released children.

Once it is evident that inconstancy is inherent in all of humanity, a third pair of children is brought in to try to reach a better conclusion. They are immediately seized by the original lot and dragged away into the shrubs to be, one imagines, raped or torn to pieces. It makes a truly alarming conclusion.

Laurence Bourdil and Gérard Desarthe play Eglé and Azor, Jany Gastaldi and Alain Libolt play Adine and Mesrin, the second pair. It is remarkable how much individuality they put into their childish development, especially as the whole evening is played in near darkness. Miss Merritt's Carise turns much of her dialogue into glorious Negro pentatonic singing.

The future of the Old Vic

The Old Vic is to be run as a commercial theatre by the Board of Governors, it was announced yesterday by their chairman, C. S. K. Benham. There will be no subsidy from the Arts Council.

An enticing calendar of events was announced for the rest of this year and the first half of next. *The Ghost Train* will continue until January 8, 1977, when it is to transfer to the West End. It will be followed by the return of *Frontiers of Farce*, the double bill than ran so successfully lately, until March 12. A further fixture yet to be announced will then play until April 2.

As widely expected, Prospect Theatre will then move in, playing a ten-week season from May 2 until July 9, in the repertory already announced. It is hoped that they may make a return visit of five weeks in the autumn.

Besides theatrical productions, the Old Vic will run drama classes for school children, a venture that has received the approval of the ILEA and the co-operation of Morley College, the South Bank Institute, and local schools.

Resources are available, Mr. Benham said, to keep the theatre open for at least two years.

Young Vic

Double Stoppard

With the Birdboots safely ensconced at the Lyttelton, the Moons were out for a cheerful, welcome revival of *The Real Inspector Hound*, Tom Stoppard's delightful imbroglio of critics, police and actors (in order of importance) at the scene of a three-act country house murder thriller. Lines and surprises in this piece have passed into

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modern legend, amounting to an entertainment that, if not scaling the heights, certainly brushes the hillocks of contemporary theatrical achievement.

Stoppard, it will be noticed, writes his own reviews by the tone he adopts in his plays. It is unnerving, however, to see parties of schoolchildren anticipating favourite sound cues (Baskerville variety) and chuckling in mid-quip. Has Stoppard made it on to the syllabi? If so, English classrooms must be happier places, the O-level syllabub even harder to fail.

Roy Hudd is a constrained but lovable Birdboot, Geoffrey Hutchings an exact and very funny Moon. But the acting honours in Jeremy James Taylor's well-spread production (the critics oversee the action from an accurate stalls box that could have been imported from the Ambassadors) must go to Neil Johnston for his glorious third-string Puckeridge, disguised for the play proper as the crippled, tetchy, major.

The curtain-raiser is Stoppard's radio play *If You're Glad, I'll be Frank*, here receiving its first professional performance. The scene is the GPO headquarters where the Speaking Clock comes desperately to life while fending off the loving inquiries of her bus-driver husband. The idea is amusing but the resultant half-hour play feeble, despite the ingenious interference of Natasha Pyne and Mr. Hudd.

MICHAEL COVENEY

FFI sponsors art exhibition

Finance for Industry Ltd. (FFI), is sponsoring an exhibition of modern British art on its premises at Waterloo Road, S.E.1. This is believed to be the first exhibition sponsored by a leading financial institution. It was organised by Industrial Sponsors and has been arranged by William Packer.

The proceeds of sales will go totally to the artists.

Covent Garden

Ballet Gala

by CLEMENT CRISP

Gala intentions are not, unfortunately, always Gala realisations, and on Tuesday night they became Gala defections: Marcia Haydee and Richard Cragun remained in Stuttgart, and Mikhail Barishnikov in New York, which also denied us the promised Jerome Robbins' *Other Dances* in which Barishnikov and Makarova were to have appeared. New York, though, made handsome amends, because City Ballet sent us Suzanne Farrell and Peter Martins, and Fonteyn and Nureyev also rallied to the cause. And so the Gala became a Gala after all, not least because the Royal corps de ballet arabesqued down the ramp in *Bayadère* with impeccable grace. This was the opening number, and a good deal of fine pyrotechnic tension was generated by Michael Coleman's account of Solor—clean, easy classic dancing which we tend to accept as usual with Mr. Coleman but which is deserving of high praise nonetheless. The Nikiya was Merle Park, very assured, but somewhat dry in style; among the trio of Shades Leslie Collier was exceptional as always for the buoyant ease and flawless clarity with which she darted through the second variation.

The statutory new work of the evening was the first Royal Ballet presentation of Hans van Manen's *Adagio Hammerklavier*. When it was given in London two years ago by the Dutch National Ballet I was impressed by the very positive relationship that was established between the dancers and the recorded performance by Cristoph Eschenbach, *molto adagio, molto espressivo*, and carefully shaded so that it seemed to draw back from the ultimate statement of Beethoven's dynamic climaxes. For the Royal Ballet it is played live, and seriously, by Anthony Twiner, but what merit the ballet had with the Dutch seems to have dissipated and we are left with choreography full of emotional attitudinising. This is surely no fault of the cast—Makarova/Wall; Mason/Eagling; Penney/Silver—who are superb, but a constant exchange of meaningful glances, lyrical swoopings through the air, and the occasional abrasive flexing of feet and limbs to cut across the bland texture of the choreography, is no substitute for dance invention that might enhance and illuminate the music.

The score, indeed, is far too grand for this kind of pretentiousness, and the adagio, torn from its context, is also betrayed musically. There is a good deal of valiant and portentous moping by the cast, who deserve additional praise for allowing themselves to appear in glumly unattractive costumes—the girls in washed-out blue frocks of unflattering cut; the boys bare-chested and in tights that hint at leg-warmers, and silver necklaces, one of the more effete outfits devised by Jean-Paul Vroom for van Manen ballets.

The closing fire-work section began with Lynn Seymour and David Wall (who is dealing tremendously with a great deal of dancing in the repertory in the absence of Anthony Dowell) in the Summer duet from *The Four Seasons*. It is a pretty piece, hardly gala fare, and not in the least helped by dressing the stage with odds and ends from *Fille*—corn stooks, a rake and a rickety bench. Balanchine's *Chaikovsky Pas de Deux*, though, is true celebration stuff: fizzing virtuosity transformed into art by the beautiful style of Suzanne Farrell and Peter Martins from New York City Ballet. They are a glorious pair, in whom an aristocratic elegance of manner and a technical mastery are faultlessly combined, and they danced the pas de deux with absolute authority. The *Romeo and Juliet* balcony duet united Natalya Makarova and Rudolf Nureyev in an impassioned and beautiful account of MacMillan's choreography—Leningrad style and Leningrad temperament sang grandly in this ardent encounter. And we ended with two Ashton pieces: Lynn Seymour repeated her uncanny Isadora impersonation in the *Brahms Waltzes*, catching exactly the image fixed by Dunoyer de Segonzac in his Duncan drawings, and Dame Margot Fonteyn and David Wall gave the first London showing of Ashton's recent *Amazon Forest* duet.

London theatre

Lunchtime menu

The Angolan civil war is the subject of Steve Wilmer's *The Jolly Green Soldier* at the ICA. There are two soldiers in the play, one a white mercenary and one a black Angolan; the white one, an 18-year-old, totally untrained in jungle or indeed any warfare, is the soldier of the title, but the black is not much more sophisticated. He claims to have served in the KAR, but only as a cook.

The African, however, is presented as representing right, for the war is being fought across his land. The Englishman is just there for the pay; and his destiny is what Housman lays down for mercenaries, to take his wages and die. The author (who is American) is remarkably fair to him, and makes him a likeable young chap who believes that fighting in Angola is simply a derivative of life on television.

I can't say that anything new is propounded about the relative status of black and white soldiers in African civil wars; but what is said is nicely said, and the two parts are beautifully played. Rufus Collins is the African, and to the innumerable notes of his own voice adds some menacing jungle sounds. The English mercenary is given a cheerful, cock-sparrow personality by Chris Jagger.

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John Wicksteed's *Crumbs between the Sheets* at the King's Head is for amusement only. It purports to reproduce the morning conversation between a tough young hearty and the girl he picked up at a party the night before. Given a permissible dramatic exaggeration, it is all quite convincing and often funny, but in spite of an obligatory reference to Women's Lib it has nothing urgent to say.

It is attractively played by Archie Tew (who stays in bed most of the time) and Vivienne McKee (who is dressing most of the time, even though she can't find her knickers). The director is Jerry Boyd. No one is given a credit for the untidy bedroom; I think any male member of the audience could have extemporised it, and no doubt any female member too.

B.A.Y.

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EUROPEAN NEWS

Threat of chaos as Danish drivers vote to stay out

BY HILARY BARNES COPENHAGEN, Nov. 24.

A THREAT of complete social and industrial chaos resulting from an unofficial strike by 1,200 drivers of oil and petrol lorries arose to-day when the strikers voted by a big majority to stay out.

The strike, which became total on Monday, has dried up supplies of petrol, heating oil, and oil for industry. Denmark uses oil for 88 per cent. of its energy needs.

The country is now awaiting reaction from the Social Democratic minority Government. The opposition Liberal party, backed by the Conservatives, has proposed legislation imposing a complete wage and price freeze, thus making it clear to the strikers that they have nothing to gain. The Government is believed to be considering going along with this proposal.

The strike is an attempt to beat the Government's 1977 incomes policy, which has put a limit of 6 per cent. on the increase in incomes. As at least 4 per cent. of this will be covered by automatic cost-of-living index-linked increases, this gives the unions with only 2 per cent. to talk when they negotiate new collective wage agreements in March next year.

The strike has not so far had any drastic consequences. Private car owners have stocked up enough petrol to keep them going for a few days, rail services can continue for several months, and most bus services for about a month. But there are no new supplies of heating oil for either domestic or institutional users, and this means that schools and offices will soon have to close. The Federation of Industries has estimated that about 50,000 workers will be laid off in the manufacturing sector within the next few days if supplies are not resumed.

The strikers have exempted hospitals, ambulance services, and market gardeners, and have declared that they will endeavour to prevent hardship to the handicapped and elderly as a result of their action.

Polish sackings alleged

The committee for the defence of workers fired after the Polish food riots in June said yesterday that 200 to 400 workers were fired in the Lenin shipyards at Gdansk, and 300 in a truck factory at Starachowice, following strikes against food price rises, UPI report from Warsaw. Official reports have said that strikes were restricted to Radom, 65 miles from Warsaw, and to the Ursus tractor plant near Warsaw. But the committee said strikes also took place in other towns—Elblag, Szczecin and Plock. Police broke up on Tuesday a meeting of 15 committee members in the apartment of Mr. Wojciech Ziembinski, one of the committee members. He was held for two hours and then released.

Rhine protection

The West German Government to-day endorsed three international environmental protection agreements to clean up the River Rhine, Reuter reports from Bonn. Two accords call for a reduction in the salinity of the river's water, and greater protection against chemical pollution. The third sanctions the EEC's membership in the International Rhine Protection Commission.

German bank theft

Two bank robbers escaped from West German police yesterday with DM2m. (£500,000) in ransom and DM140,000 from the vaults of a bank in Marl, reports Reuter from Frankfurt. The robbers exchanged four bank employees for the ransom, two police volunteers hostages and a car. They released their remaining hostages after a six-hour journey through central West Germany and then eluded their pursuers in the dark at Hanau, east of Frankfurt.

Socialist congress

Leaders of some 80 political parties linked to the Socialist International, along with several heads of Government, are to begin a special congress in Geneva to-day, Reuter reports. Mr. Hans Janitschek, Austrian General Secretary of the International, said to-day that the main themes of the debates of the congress will be: "towards a new world economic order," European security and east-west detente, democratic socialism and human rights in the world to-day, and the economic and political situation in the Third World.

EEC-Yugoslav talks

Mr. Max Van Der Stoel, the Dutch Foreign Minister and chairman of the EEC Council of Ministers, will visit Yugoslavia on December 1-2, Common Market sources told Reuter in Brussels yesterday. A joint statement is expected to be issued during the visit to stress EEC support for Yugoslavia's non-aligned status in East-West affairs. Mr. Van Der Stoel is to be accompanied by Sir Christopher Soames, EEC commissioner.

Tito's amnesty

President Josip Tito of Yugoslavia has signed an amnesty decree freeing 155 convicts and reducing the sentences of another 532, the Presidential office announced yesterday, UPI reports from Belgrade. The amnesty decree is a traditional feature of celebrations marking Yugoslavia's national day, November 29.

Greek crash

Greek newspapers said the pilot of an Olympic Airways airliner which crashed in northern Greece on Tuesday killing all 50 people aboard, was trying to fly through a storm over a mountain range without guidance from radar or other ground installations, Reuter reports from Athens.

French expulsion

A French official of the Franco-Soviet Chamber of Commerce has been expelled from the USSR on charges of distributing anti-Soviet literature, his office said yesterday, UPI reports from Moscow. Mr. Alexandre Mantacheff was notified on Monday that he had one day to leave the country. After the intervention of the French Ambassador, he was given until yesterday.

Literature ban

Four U.S. and two West German tourists have been expelled from the Soviet Union for trying to smuggle in anti-Soviet literature, Tass news agency reported, Reuter writes from Moscow. Customs officials at Leubheny in Moldavia, which borders Rumania, stopped the tourists at the frontier after spotting rolls of sticking plaster protruding from under their winter clothing. The plaster was used to stick anti-Soviet pamphlets to their bodies, Tass said.

Visa for Jew

Mr. Evgeny Abezhaus, one of Leningrad's leading Jewish dissident artists, has been given permission by Soviet authorities to emigrate, after a three-year wait, dissident sources said Wednesday, UPI reports from Leningrad. Mr. Abezhaus is president of Alef, a Jewish action organisation.

Liechtenstein Radio

Liechtenstein has acquired sovereignty over radio and television broadcasting as part of a new postal agreement signed with Switzerland. John Wicks reports from Zurich. This means that Liechtenstein will be able to set up a broadcasting station on its territory, which was impossible under the 56-year-old agreement just revised by the two countries. A number of projects for commercial radio in Liechtenstein are pending.

Swiss reserves up

Switzerland's foreign exchange reserves rose by Sw.Frs.141m. to Sw.Frs.13.45bn. in the week ended yesterday, the National Bank said, Reuter reports from Zurich.

Geneva arrests

A Swiss couple has been arrested on charges of military espionage for the Soviet Union, Reuter reports from Geneva. A 47-year-old worker were said to have received messages for Soviet officials at the headquarters of the International Labour Organisation and at the Geneva office of the Soviet airline Aeroflot.

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Tension in North-South talks

BY REGINALD DALE PARIS, Nov. 24.

REPRESENTATIVES OF the world's rich and poor nations are trying to work out a compromise formula for prolonging their North-South "dialogue" here beyond its scheduled end next month to allow themselves more time to reach agreement on the major points at issue.

The move, which has so far been resisted by the oil-producing countries, would mean postponing the ministerial closing session planned for December 15 until well into next year.

The OPEC countries have only recently put back their own ministerial meeting in Doha, Qatar, to December 20 to enable them to assess the results of the Paris "dialogue" before deciding on a new oil price increase. The question now is how far they will treat failure to meet the December 15 Paris deadline as a reason for raising prices more sharply.

Following warnings from several OPEC countries including Saudi Arabia that the oil price increase would be much higher if the "dialogue" failed, the eight Western countries represented at the talks here tried hard to-day to avoid taking sole responsibility for prolonging the negotiations.

Both sides are split on the issue. While the oil producers want the December meeting to go ahead, most of the non-oil producing members of the 19-strong developing-country group here insist that it be postponed. They believe they can secure a better deal from the new Carter Administration in Washington by waiting until the New Year, and also, of course, want to avoid a major oil price increase.

The EEC was hoping to wind up the dialogue in December after fixing its final position in The Hague, but since last week the U.S. has clearly indicated its desire for a postponement and has let it be known that, were a Ministerial meeting held in December, Dr. Henry Kissinger, the U.S. State Secretary, would not attend.

With talks still continuing here this evening, the best guess was that the new timetable might involve a further meeting of the conference's four commissions—on Energy, Finance, Development and Raw Materials—some time in late February or March, with the concluding Ministerial meeting perhaps in April or early May.

EEC to discuss Soviet fishing

BY ROBIN REEVES BRUSSELS, Nov. 24.

TWO MAJOR political decisions stemming from the planned extension of EEC fishing limits to 200 miles from January 1, now seem virtually certain to loom large at next week's "summit" of Common Market heads of Government in The Hague.

The first will be the Nine's response to indications that the Soviet Union and other eastern bloc countries are baulking at negotiating with the Brussels Commission over future fishing rights inside the new Community limits—because they do not recognise the Community. The second will reflect the need to settle the broad lines of the EEC's internal fisheries policy, including the question of exclusive national offshore fishing zones.

It is clear here that both Mr. Callaghan and Mr. Liam Cosgrave, the Irish Prime Minister, are planning to raise the fisheries issue in The Hague. The "summit" is almost certainly the last opportunity for the British and Irish to press home, at the highest level, their demand for an exclusive national fishing zone, well in excess of the 12 miles offshore band proposed by the Brussels Commission.

The Communist bloc's refusal to negotiate with the Commission on fishing rights has been indicated during this week's meeting of the North-East Atlantic Fisheries Commission in London. The Russian delegates are reported to have so far stayed silent on the issue, but Polish representatives pointed out that since their government does not officially recognise the existence of the Community, the Nine's position created difficulties.

Common Market leaders may agree a diplomatic formula to let the Soviets and other Eastern bloc countries off the hook, rather than force the issue of Community recognition at this stage.

U.S. Jews reject E. German offer

BY LESLIE COLITT BERLIN, Nov. 24.

U.S. JEWS have reportedly rejected an East German offer of $1m. as reparations to U.S. Jews who lived in what is now East Germany when Hitler came to power. The President of the Jewish Restitutions Conference, Mr. Nahum Goldman, is quoted as saying in Paris that the East German offer is "ridiculous" and a "bagatelle."

West Germany has paid some $20bn. in restitution to Jews around the world, including those who came from East Germany. Another $10bn. is still being paid by Bonn in pensions.

This is the first time the East German Government has made any such offer, previously arguing that it had rooted out Nazis and fascism from the country and thus made its contribution. East German officials also point out that the country paid $20bn. in reparations to the Soviet Union.

American diplomats say the U.S. Government has been showing a keen interest in the outcome of the talks by the Jewish organisation as it is considering a condition of its recognition of the German Democratic Republic in 1974.

Italian reserves increase

By Anthony Robinson ROME, Nov. 24.

THE ITALIAN reserves have benefited from a substantial inflow of foreign currency over the past four weeks, thanks to legislation obliging Italian residents to declare and repatriate their foreign assets.

Foreign Trade Minister, Sig. Rinaldo Ossola, estimates that the total inflow will exceed $1bn. by December 3. This is the last date for the repatriation of funds on an anonymous basis and without penalties. Sig. Ossola, who was the moving force behind the legislation, managed to persuade the Cabinet to amend the original law so as to ensure anonymity, and has also pushed through two extensions from the original deadline of August 19.

The official figures from the Bank of Italy only cover September, when total net reserves stood at $5,942m., of which $1,326m. was in convertible currencies. The October figures are due later this week. They are expected to show a small gain in October, and a substantial gain in November.

Spanish campaign row

BY ROGER MATTHEWS MADRID, Nov. 24.

A ROW has already broken out over the Spanish Government's handling of the national referendum on political reform, scheduled for December 15. With some opposition parties threatening to campaign for abstentions, the Minister of the Interior, Sr. Martin Villa, has warned that such tactics would be illegal, and that the regime would fight against them with all the means at its disposal.

This led the independent daily paper, El Pais, to state in an editorial to-day that ministers were threatening to fall back into the authoritarian ways of their political upbringing. The paper argued that it was democratically quite legitimate for the electorate to vote "Yes," "No," to leave the ballot paper blank, or not go to the polls. Almost all left-wing parties in the Basque region have now decided to campaign actively for abstentions, while several national parties are considering adopting the same tactic.

As the Government has also stated that parties specifically forbidden by the Penal Code (essentially the Communists and all those groups further left) may play no role in the referendum, the chance of clashes appears to be growing. The only parties which may mount a campaign are those so far legalised by the Government and they will also be "discouraged" from suggesting abstentions.

Another challenge for the Government has come with the decision by the main socialist party, the illegal PSOE, to hold its first congress in Spain since the Civil War from December 5-8, which many prominent European socialists are expected to attend.

Portugal deficit worsens

BY PAUL ELLMAN LISBON, Nov. 24.

TRADE BALANCE figures released to-day, which showed an increase of 13 per cent. on the deficit recorded last year, added to the woes of Premier Sr. Mario Soares' minority Socialist Cabinet, as it struggles to mend Portugal's rapidly deteriorating economy.

According to official figures, the balance of trade in the first 10 months of this year produced a deficit of 43.5bn. escudos (almost $1.5bn.). Underscoring the failure of the Lisbon authorities to stem the tide of imported consumer goods which have helped to destroy the country's once strong foreign exchange reserves, the latest statistics pointed to a continuing surge in Portugal's foreign purchases.

Imports for the first 10 months of 1976 increased by 9 per cent. and totalled 82.5bn. escudos, while exports registered a rise of 5 per cent. over the previous year, reaching 38.8bn. escudos. The Government is trying to create an image of unity, in the wake of Socialist Party disarray during the public split between Left and Right factions at the Party Congress three weeks ago.

WEST GERMAN POLITICS

The split in the union

BY NICHOLAS COLCHESTER, IN BONN

THE DUST has yet to settle from the explosion that shook West Germany's Conservative Party last Friday. MPs of the Christian Social Union (CSU), an exclusively Bavarian sister party of the Christian Democratic Union (CDU), decided to end their unity in Federal Parliament with the CDU. Herr Franz Josef Strauss, the CSU's unpredictable leader, conceded that this decision would "alter the voting landscape." There is widespread feeling in Bonn that the alteration will be of historic proportions, but the air must clear before this can be stated with certainty.

The landmine was lodged in the foundations of the union by 1968 at the latest. It was in that year that Herr Strauss first mooted the idea that the CSU should become a nationwide party and offer voters a Right-wing alternative to the CDU. He floated the idea roughly at two-year intervals thereafter, but each time with insufficient response. Last Friday he did it again. He made yet another, probably rather half-hearted, attempt to light this large, damp squib and the thing went off in his face.

The explosion caused such shock because both the CSU and the CDU were utterly unprepared for it. Certainly there had been bickering between the two parties since the election in October, and certainly there were those in the governing coalition making capital out of the fact that the state of the union was not one of sweetness and light. The leader of the Free Democrats, the wily politician Herr Hans Dietrich Genscher, had noted in a speech to his party congress that "the fourth party has long been around, with aims and with hunger for power. The question is only whether it will step beyond the bounds of Bavaria and whether it will remain part of the CDU."

Poisonous

Yet the fact remained that Herr Helmut Kohl, the leader of the CDU and the Conservative candidate for Chancellor who came so near to success in October, believed that he had reached tacit understanding with Herr Strauss that he, Kohl, would lead the union in Parliament over the next four years and that Herr Strauss would play second fiddle. It is chiefly because the CSU broke this pact without any warning that the relationship between the former allies is now so poisonous.

Why did Herr Strauss's suggestion take fire this time? In the summer of 1975 the CSU grudgingly agreed to back the nomination of Herr Kohl as candidate for Chancellor, although it added ominously that it "continued to regard Herr Strauss as the suitable candidate." It was a time of almost tangible frustration for Herr Strauss and the CSU. He was 59 and running out of time. His party knew that their man, rather than Herr Kohl, had the brain and personality to stand up to Helmut Schmidt.

Yet the CSU had to accept Herr Kohl, the "more reasonable" candidate of the larger sister. Herr Strauss's image was still besmirched at that time by the Social Democrats' devastating exposé of his speech at Sonthofen in which he had unwisely said that the CDU must let Germany suffer if the CDU were to come to power. With hindsight one sees this scandal was a seminal event for the election that followed.

"I do not mind who is Chancellor under me," Herr Strauss is said to have told his followers in the months thereafter. But it became clear that this was an empty taunt. In the spring of this year he suffered a rebuff when Bavaria voted for the ratification of treaties with Poland against his wishes. A month before the election it was revealed that Herr Strauss would be Vice-Chancellor, but as Finance Minister and not in the more prestigious post of Foreign Minister.

The political tide was flowing in the Conservative's direction and Herr Kohl did an adequate job of riding it. In a television debate shortly before the poll, Herr Strauss showed conclusively that he alone among the two Conservatives had the mental rapier needed to touch the aloof and formidable Chancellor. Yet he was not the candidate.

On election night, when it became clear that the CDU and the CSU had narrowly failed to win an overall majority, the bitterness spilled out of Herr Strauss. He had seen his own party carry 60 per cent. of the vote in Bavaria and was sure that if the CDU had taken a tougher Right-wing line across the rest of the country the day would have been won. In words that do not bear repeating he condemned the CDU, attacked the idea of seeking coalition with the Liberals, and suggested again that the time had come for the CSU to go it alone.

Last Friday the CSU did the deed, but in a way that suggested at once that there was a lack of cold calculation behind the decision. The leadership insisted that it wished to continue its co-operation with the CDU, but directly after the CSU had made and announced its move in a way that was bound to infuriate Herr Kohl and his team.

The CDU reacted first furiously and then firmly. It insisted that the CSU annul its decision and continue the union in Parliament. Failing this, it would widen the CDU's operations to include Bavaria. This decision would be taken by the whole party at a congress in March.

Meanwhile, within the CSU there was widespread confusion as to what the CSU MPs had wanted to achieve through their break away. Did this mean the start of a fourth party? If not, what was the point of it? Did the CSU really want to wage war with the CDU in Bavaria? Why had not the party as a whole been consulted? There were protests, demands for an emergency party congress, and resignations.

Finally Herr Strauss and his parliamentary floor leader, Dr. Friedrich Zimmermann, produced an explanation in a lengthy letter to their own party. They claimed that there was no prospect of a coalition between the CDU/CSU and the Liberal Free Democrats and that the existing coalition would remain in power until 1980 at least and probably longer. They felt that the only way to get the Conservatives an overall majority was for the CSU to "profile itself" more with an independent presence in Parliament. They were scathing about Herr Kohl and the CDU and their election performance. Yet they said they wanted to continue co-operation with the CDU and that they had no intention of forming a nationwide CSU.


Helmut Kohl


Franz Josef Strauss

Speculation

An assessment of the significance of all this involves a lot of speculation. First there is the question whether the outcome will indeed be a four party system. Second there is the whole series of new political permutations and combinations that a four party system would make possible. It was assumed immediately in the wake of the news that a four party system was inevitable. Herr Kohl thought this was why Herr Strauss had done the deed; he showed that the CDU was willing to face the consequences. To the CSU rank and file are confronting a plain if miserable and the CDU leadership—notably its strategist Herr Biedenkopf—insists that the idea of two Conservative parties is a bad one. Perhaps when the smoke clears from the explosion the union will be shaky but intact, and Herr Strauss will have the blackest of faces.

It would be the ideal outcome for the CDU if Herr Strauss could be persuaded to self-destruct in this way. Yet it seems most unlikely that the CSU would now eat humble pie unlikely that a CSU party congress would deny Herr Strauss retrospective backing for this fait accompli, will then be up to the CDU to decide whether it launches what Herr Strauss has termed a "punitive expedition" into Bavaria.

If this happens the voting landscape in Germany would indeed have been altered in a radical way. The governing coalition will at first be strengthened, partly by the disarray in Conservative ranks, partly by the fact that FDP and CDU together (but without the CSU) would not have the potential overall majority in Parliament. Hence the FDP will find itself a necessary adjunct to the Social Democrats, but no longer the holder of the balance.

Looking further ahead one enters a luxuriant land of political speculation. Herr Strauss and the CSU would either be finished or beginning their long march. The Liberal FDP might find its existence threatened. The CDU, shorn of its right wing bogey man, could develop as a new and more forward looking party of the centre-right—which one suspects is where the German man voter's sympathy now lie. It is even suggested that the SPD might then find the urge irresistible to break into two wings. In short, West German politics would enter an unexpectedly fascinating phase.

Surprise attack threat in Europe denied by Haig

BY ROBERT MAUTHNER PARIS, Nov. 24.

GENERAL Alexander Haig, Nato's Supreme Military Commander, to-day rejected alarmist theories that Europe was extremely vulnerable to a surprise attack from the Soviet Union because of the relative weakness of the Western Alliance.

It had been suggested, General Haig told the Anglo-American Press Association here, that Russian troops could be on the banks of the Rhine within 48 hours, but this implied a flabbiness on Nato's part which was not the case.

Overall, Nato's defence capability was viable and healthy, particularly in the strategic and tactical nuclear fields. Its main weakness was in conventional defence and it was important for this to be put right if Nato's military deterrent was to remain credible.

A strategy of flexible response could only be effective if it left a potential aggressor uncertain as to the nature of the arms and forces to be used to counter an attack. No one element in Nato's armoury could therefore be substituted for another.

General Haig expressed particular concern about the tendency of some member governments to cut defence expenditure in order to meet growing economic and social commitments. This was a fallacious and self-defeating policy because, if the member country's capacity to assure their collective security was undermined, it would, in the longer run, threaten the very existence of their social and economic systems.

General Haig thought that the biggest threat to Nato in the foreseeable future would not be a direct Soviet attack but would take the form of a series of ambiguous situations, as in the 1960s and 1970s, which would constantly put the alliance's capacity to the test. It was the presence of sufficiently powerful military forces on the ground, not least on the Nato area's flanks which would provide Western diplomacy with the ability to deal with such crises.

Brezhnev hope on SALT

BUCHAREST, Nov. 24.

MR. LEONID BREZHNEV, the Soviet leader, said here to-day that a U.S.-Soviet agreement on limiting strategic arms is possible and called for continuation of talks after the U.S. President-elect, Mr. Jimmy Carter, takes office.

The present U.S. Administration said in October that it had offered to complete a new SALT treaty but was turned down. However, Mr. Brezhnev did not refer to any of the specific weapons under discussion, saying only that "we would like to hope that after the change of administration in the U.S. the talks we are conducting with the Americans to limit and then reduce strategic armaments will be continued and successfully concluded. A satisfactory solution to this problem would meet the interests of not only the Soviet and U.S. peoples but the interests of strengthening universal peace as well."

Mr. Brezhnev was speaking to about 7,500 Romanian Communist Party officials on the eve of a two-day Warsaw Pact summit meeting of Soviet bloc Communist and foreign ministers. To-day was Mr. Brezhnev's third and final day of his first official visit to Romania.

Agencies.

مكرر من الأصل

AMERICAN NEWS

Carter short lists for key jobs to be disclosed soon

BY JUREK MARTIN, U.S. EDITOR WASHINGTON, Nov. 24.

MR. JIMMY CARTER will probably disclose within the next two weeks short lists for the major Government appointments in his new administration.

In so doing, he will be following the pattern he set in the summer for the choice of his campaign running mate. Having personally interviewed several prospective candidates, and his staff having checked on the credentials of many more, he went to the Democratic Convention in New York with a short list of seven, *from* whom he finally selected Senator Mondale.

The naming of the final few will at least narrow the focus of what is currently Washington's most absorbing pastime—guessing who is going to get what jobs. There is endless speculation about every post, from Secretary of State down to that of Mrs. Rosalynn Carter's social secretary.

Guessing is made more difficult because the Carter transition team is playing its cards close to its chest, but the latest hot tip is that Mr. Bert Lance, an Atlanta banker, will become the head of the Office of Management and Budget.

Mr. Lance is president of the National Bank of Georgia, only the State's sixth largest: he has been a friend of Mr. Carter's for years and is reckoned to be a fiscal conservative. Additional plausibility is given to the rumours of his selection by several of Mr. Carter's aides having spoken of the need for an essentially conservative, business-oriented person in at least one of the senior economic posts, if for no other reason than to reassure the business and financial community.

By the same token, that community may feel marginally reassured this morning by the news that Mr. Leonard Woodcock, head of the Car Workers Union, has taken himself out of consideration for a cabinet-level post, at least for the time being. He acknowledged he had been interested in the Department of Health, Education and Welfare, but had concluded over the week-end that he could do more in these areas as president of the UAW, a post he will hold until next May: after that, he hinted he might be available.

Other names which have suddenly been disgorged by the rumour will include that of Senator Edmund Muskie as a possible Secretary of State. Last week Mr. Muskie, who was on Mr. Carter's Vice Presidential short list, withdrew from the contest to become Democratic leader in the Senate.

However, if the rumour is true, Mr. Muskie will have some stiff competition for the job. As well as such well-known foreign policy luminaries as Mr. Cyrus Vance and Mr. Paul Warnke, it is said that two other Democratic Senators, Alan Cranston from California and Dick Clark from Iowa, the Senate's African expert, are under consideration.

The name of Congressman Andrew Young, the black from Atlanta, repeatedly crops up. Mr. Carter has said in the past that his election debt to Mr. Young was greater than to any other single person, but Mr. Young has equally persistently said that he wants to stay in the House and ultimately become Speaker.

Nevertheless, it is rumoured that he could be either Secretary of State or Ambassador to the United Nations, or even get some other cabinet post. Equally, another immensely talented black Congresswoman, Barbara Jordan from Texas, who set the Democratic Convention by its ears with the finest political speech of 1976, is intermittently mentioned as either UN ambassador or even as Attorney General (she has a legal mind and training of no mean repute). It is considered axiomatic that Mr. Carter will appoint at least one woman and one black to his cabinet.

CIA chief announces resignation

By Our Own Correspondent

WASHINGTON, Nov. 24.

MR. GEORGE BUSH, director of the Central Intelligence Agency, announced this morning that he would step down on Mr. Carter's inauguration day next January.

It was highly likely that Mr. Bush would have been replaced in any case, sooner or later, and his decision clearly serves to avoid any embarrassment.

Mr. Bush, a former ambassador to the United Nations, was appointed a year ago by President Ford when Mr. William Colby was fired, along with Defence Secretary James Schlesinger, at the height of the furore over disclosures of the CIA's foreign and domestic entanglements.

Though sharply opposed at the time, criticism of Mr. Bush's tenure has subsided in recent months and, in the course of recent briefings delivered by Mr. Bush, Mr. Carter was noticeably complimentary about him.

Mr. Bush gave no hint as to what he planned to do next. It is likely, however, that there will be speculation that he may try to regain another post he formerly held, that of national Republican party chairman.

The current chairman, Mrs. Mary Louise Smith, recently announced that she would resign in January

THE JAMAICAN ELECTION

A clear choice for the voter

BY CANUTE JAMES, KINGSTON CORRESPONDENT

MR. MICHAEL MANLEY, the Jamaican Prime Minister's decision to hold the general elections on December 15, while the state of public emergency declared in June is still in force is certain to annoy the opposition Jamaica Labour Party (JLP).

The state of emergency was declared after a wave of organised crime and violence claimed 163 lives in the first six months of this year. So far 204 people have been detained under the emergency regulations and are being held under maximum security in Kingston.

Mr. Manley has said holding these detainees gives the best chance of a genuinely free election—"it is the only way we will hold a free election that is not subject to massive violence."

Those detained include members of Mr. Manley's ruling People's National Party (PNP) as well as JLP members considered a threat to public safety, but the opposition leader Mr. Edward Seaga has continuously referred to detained JLP affiliates as "political prisoners." He has campaigned for formal charges to be brought in court but so far unsuccessfully—under the emergency regulations detainees can be held indefinitely without being charged.

Among those held are two prospective JLP candidates — deputy leader Mr. Pearnel Charles and party executive member Mr. Peter Whittingham —and a prospective PNP candidate Mr. Edwin Singh.

The National Security Minister Mr. Keble Munn said recently those in detention will be allowed to vote in — a right not allowed conventional privileges and that they will not be prevented from standing as candidates in the elections, although they will not be allowed out to campaign.

Both the PNP and the JLP are therefore seeking new candidates, with the Opposition party accusing the Government of using the emergency to weaken

The outstanding issue is likely to be Jamaica's foreign policy, in particular relations with neighbouring Cuba. . . . The other major election issue will be the economy.

the Opposition on the eve of the election, and the Government replying that the detentions were decided by the security chiefs, not the party.

Despite recent clashes between supporters of both parties, the security forces have contained the violence which preceded the imposition of the emergency—a factor not without political implications as crime and violence is likely to be a major election issue.

But the outstanding issue is likely to be Jamaica's foreign policy, in particular relations with neighbouring Cuba. In its attempt to widen Jamaica's external relations, the PNP administration has initiated closer ties with several Third World countries, among them Cuba. This has led to a wide range of technical and economic exchange between the two in which Jamaica has proffered help in sugar technology, hotel trade and tourism in return for Cuban assistance in mass construction of low-cost housing and schools, and in basic hydrology such as the construction of "mini-dams" to help small farmers through the acute summer droughts.

The JLP regards this as a PNP scheme to make Jamaica a Cuban-style communist State, and is therefore campaigning on an anti-communist platform. The PNP says it has no intention of making Jamaica a communist State, and that close relations with Cuba are based on mutual respect and an attempt at Third World solidarity, rather than an ideological affinity.

The other major election issue will be the economy. Figures from the Bank of Jamaica show the island's foreign reserves to be \$J35m. in deficit. The JLP attributes this to the Government's economic mismanagement, the PNP blames economic circumstances beyond its control, such as increased oil prices which have pushed up the cost of all the island's major imports. Returns from the controversial bauxite production levy, which the Government imposed on bauxite / alumina companies operating in the island and which increased income from the industry from an average annual \$J35m. to \$J160m., have been totally absorbed by the higher cost of imports, it says.

The election is also significant in that for the first time in more than 20 years it gives the electorate a clear choice between two different philosophical positions. The PNP, founded in the late 1930s as a democratic socialist party, veered sharply to the right in the mid-1950s and for a long time offered no real alternative to the JLP. But in 1973 Mr. Manley restated the party's adherence to democratic socialism, defined in terms of support for a mixed economy with the Government in a more creative role, for redistribution of income and for a social welfare system. Democratic socialism, says the party, opposes capitalist exploitation but does not support class antagonism along Marxist-Leninist lines.

The JLP has turned to what Mr. Seaga calls the principles of "nationalism," but except for frequent criticisms of the PNP's democratic socialism, the Opposition has yet to define "nationalism."

It is already clear that JLP policy will be more conservative and to the right of the ruling party, but the JLP has not clarified its attitude to Cuba. To this extent, the JLP may be hoping to attract the votes which have not been committed to the PNP's stated intentions under democratic socialism.

Chile junta rearrests prisoners it released

BY OUR FOREIGN STAFF

DINA, the Chilean security police, have re-arrested about 20 of the 304 political prisoners released by the Chilean government last week, according to reports from Santiago.

Those re-arrested have been detained on political charges going back several years. Other former detainees have sought asylum in the Venezuelan embassy in Santiago or have crossed the border into Argentina.

About a thousand political prisoners remain in detention in Chile. Those benefitting from last week's announcement include only those held without charge under the state of seige.

Among those released was Sr. Hernán Montealegre, the former diplomat and one of the lawyers retained by the Catholic church to defend peasants accused of hostility to the Pinochet administration.

Those who have been sentenced before the junta's tribunals for their political activities have not benefitted from the move.

Last Thursday General Augusto Pinochet, the head of the Chilean junta, said that the release of prisoners had nothing to do with the recent victory of Mr. Jimmy Carter in the U.S. presidential elections, and was "inspired by the Christian sentiments of the junta."

Diplomatic observers nevertheless feel that the moves by General Pinochet and his close associate General Contreras, head of the DINA, are aimed at blunting criticism in the U.S. on the state of human rights in Chile and avoiding economic sanctions by the United Nations in the wake of the report by the UN Human Rights Committee on the situation in Chile.

U.S. Portugal loan plan

BY DAVID BELL WASHINGTON, Nov. 24.

THE U.S. Treasury intends to propose that the International Monetary Fund (IMF) should, for the first time, take over the management of the \$1.5bn. loan now being put together for Portugal.

Mr. Edwin Yeo, the Under Secretary for Monetary Affairs, said last night that the U.S. would probably contribute about 40 per cent. of the loan and that negotiations had already begun with Congress on a scheme under which, once the loan had been set up, it would be "policed" by the IMF.

This proposal apparently caught the Fund unawares and officials said to-day that the U.S. has not formally notified it of any proposal of this kind. The Fund has never before assumed the role of administrator of a loan of this kind but it seems likely that it would be prepared at least to discuss the scheme if it continues to have the approval of the incoming Carter administration.

Mr. Yeo said that the U.S. intended whatever happened to go ahead with the \$300m. loan from the Treasury's Exchange Stabilisation Fund. But he said that Portugal's structural problems would require more time and more money than could be provided by the Fund under its normal policy. Accordingly other countries might advance the money but leave it to the Fund to set conditions and monitor their long-term implementation.

It was not clear to-day whether this approach is one that the Treasury thinks is only suitable for Portugal or whether some variant of it might also be applied to other countries, such as Italy or even Britain. There is already a strong suggestion that Italy may be able to take advantage of the so-called "super-tranche" under which the IMF can lend it much more than normally allowed in relation to its quota which could presumably obviate the need for a Portuguese-type approach.

In Britain's case, the issue in the minds of the U.S. administration is still the need for the British Government to demonstrate its willingness to meet whatever conditions may be laid down by the Fund before there are any fresh talks about the sterling balances and other longer term problems.

TV networks inquiry

BY JAY PALMER NEW YORK, Nov. 24.

THE U.S. JUSTICE Department's anti-trust division has formally asked the Federal Communications Commission to launch a sweeping inquiry into the role and power of the three leading U.S. television networks, the first comprehensive study of network activities since the mid-1950s.

The study, the Justice Department urged, should specifically consider whether the three networks should be forced to sell some or all of their affiliated television stations and look at whether or not they dominate to an excessive extent the programming decisions of these stations.

This morning the three subjects of the Justice Department move, Columbia Broadcasting Systems (CBS), National Broadcasting (NBC) and the American Broadcasting Companies (ABC), all issued statements insisting that there was no need for an FCC study and that the agency should reject the Justice Department's request.

The move came in a formal inter-departmental filing supporting an earlier petition by the Westinghouse Broadcasting Company (Group-W) for an FCC review of network practices. This early September petition claimed that the networks force affiliated stations to use network programmes rather than independently produced material.

The three huge TV networks own between them approximately 15 TV stations across the country, most of them located in what are claimed to be the richest TV advertising markets—New York, Los Angeles and Chicago. In addition the networks have a total of 591 affiliated stations — NBC 207, CBS 200 and ABC 184.

In its statement, which is expected to receive a formal FCC reply some time next week, the Justice Department noted that the networks' combined share and profitability in the market must contribute to their ability to pre-empt programme acquisitions and obtain disproportionate shares of programming."

Trudeau under attack

OTTAWA, Nov. 24.

CANADIAN Prime Minister Pierre Trudeau disregarded a motion censuring him for contempt of Parliament and scheduled a nationwide address to-night on Quebec's election of a Parti Quebecois Government.

Opposition Party members severely criticised Mr. Trudeau yesterday for exceeding his authority in planning to go directly to the public on national television before first directing his remarks to Parliament.

Conservative Party leader Joe Clark said that he would introduce a Bill condemning Mr. Trudeau for the action. He said that he hoped his Bill would "put an end to the Prime Minister's current practice of ignoring the rights of Members of Parliament."

UPI

OVERSEAS NEWS

Disquieting statistics of Rhodesia's guerilla war

BY A SPECIAL CORRESPONDENT IN SALISBURY

"FORCES bag 31 in one battle." read the Rhodesia Herald headline last week, announcing the highest single loss suffered by Rhodesian guerillas. "This is only a start," promised Lieut-Colonel Peter Brown.

If the war in Rhodesia, which after sporadic incidents beginning in 1965, intensified in December, 1972, is to be assessed in terms of "kill rates," then November is proving to be by far the most successful month for government forces.

More guerillas have died in November—181—than in all of last year, at the cost of nine government force members. Earlier this month, Rhodesian troops attacked seven camps in Mozambique, destroying 50 tons of arms, killing several hundred guerillas (although this has not been officially confirmed) and returning with piles of invaluable intelligence documents.

Total figures since December, 1972, are 1,916 guerillas (1,000 this year, and, according to Rhodesian sources a further 300 were killed during the raid into Mozambique in August), 198 members of government forces (120 this year), 59 white civilians, 846 African civilians, 126 African civilians "running with" or allegedly assisting guerillas, and 133 curfew breakers.

Undoubtedly the successes of the past few weeks have boosted white morale—though there are many who regret the sometimes flippant treatment of tragedy by the local Press and who realise that every death, black or white, contributes to growing division and distrust.

Many of the insurgents who have been killed this month are poorly trained youngsters, some of whom left eastern border schools to enlist with the nationalist forces in Mozambique and have been easily picked off on their return.

However, perhaps the most disquieting statistic for whites is the fact that there may be as many as 2,000 guerillas inside Rhodesia.

According to a recent briefing by a senior military spokesman, the war reached a critical stage at the end of 1974: The changes in Mozambique following the April coup in Portugal, the release of nationalist leaders to attend talks in Zambia, and the withdrawal of South African police from border patrols, he said, "convinced local tribesmen that the terrorists had won a victory. The consequences of this was a drying up of intelligence. And instead of being at a peak, we went to an all-time low by the end of December."

To recover the initiative, there was a sweeping call-up of reservists in mid-1975, and a new counter-offensive began with the aim of driving the terrorists out of Rhodesia. "This operation was completely successful. Kills and captures were merely a bonus. The object was to get them out."

'The big push'

"As at December, 1975, Hurricane (the code name for the north-east operational area) was at a complete standstill." But in 1976 guerilla tactics changed. The aims, says the spokesman, become to stretch the Rhodesian forces as far as possible, harass white farmers and disrupt the direct rail link with South Africa which runs from Rutenga to Beitbridge. Hence the opening of new operational areas on the eastern border and in south-east Rhodesia.

Guerilla allegiances to particular leaders are difficult to establish, but basically those operating in these areas are members of the Zimbabwe African National Union, whose leadership is contested by Robert Mugabe and the Rev. Ndabaningi Sithole.

Across the country in Matabeleland, the insurgents are members of the Zimbabwe African Peoples Union, led by Mr. Joshua Nkomo.

Through guerillas captured early in the year, Rhodesian intelligence learnt that three waves of assaults would be launched in 1976. Between January 21 and April 21 an estimated 450 guerillas entered the country. A further 456 came in in late April and the third wave, "the big push," was to occur in September and October. Reports claimed that 700 were waiting at Dondo, in Mozambique, and a further 1,000 would come from bases in Tanzania. The expected incursion of 1,700 guerillas by the beginning of the rains was, the spokesman said, "a frightening total when the maximum number of terrorists we had handled in any one time in the previous three years of the war was something like 260."

This, then, was the main reason for the pre-emptive strikes against seven camps in Mozambique earlier this month and observers assume that most of the guerilla casualties of the past two weeks have occurred as a result of large groups attempting to infiltrate.

Meanwhile, Zapu forces—put at about 60 inside Rhodesia, with another 400 waiting to enter—are carrying out hit-and-run raids in Matabeleland, from the sanctuary of Botswana and Zambia. They are attacking soft targets such as farmsteads and travellers, attempting to sabotage the railway from Bulawayo to Victoria Falls, and from Bulawayo to Plumtree on the eastern border with Botswana.

In addition, they have been responsible for shooting incidents in the African townships at the coalmining centre of Wankie.

Without the support of Black members of the counter-insurgency forces, White Rhodesia could not hold out. Two-thirds of the 8,000-strong para-military police force are black. The regular military forces of at least 5,700 include two battalions of the Rhodesia African Rifles (nearly 2,000 black soldiers under white officers), and it is an armed black militia which patrols the villages into which at least 250,000 tribespeople have been compulsorily moved in an effort to isolate them from the guerillas.

To this must be added an unknown number of black informers who provide Rhodesian intelligence with a flow of damaging material.

But an assessment of the war cannot be based on casualty figures alone, and the November success take place against a background of soaring defence costs, a declining tourist industry, a severe skilled manpower shortage, and white emigration.

In 1971-72, before the war intensified, defence and police spending totalled £34.8m. sterling. The 1976-77 estimates are £122m., 34 per cent. up on last year.

Nor does that represent total defence expenditure. In the coming year the Ministry of Roads will spend 25 per cent. of its allocation on special road and bridge works in the operational areas and the Ministry of Internal Affairs will use 17 per cent. of its allocation on administration of security measures.

The Treasury budget includes a £14m. reserve fund for security use when required, and even the Prime Minister's budget of £6.4m. (£1.2m. in 1971-72) includes £5.68m. for "special services." So overall defence spending in the year ending June, 1977, will take up some 23 per cent. of total expenditure.

Tourism has been hard hit, with hotels along the eastern border and the Victoria Falls affected by the war. January-September visitors' figures are down 38 per cent., and the year-end total is likely to be the lowest since UDI. Business visitors are down 22 per cent.

Emigration

The war is probably the key factor in the emigration rate. Over 1,200 whites a month are leaving, and the year-end net loss will be over 6,000.

This aggravates what is already a severe shortage of skilled manpower, with nearly every white male between 17 and 38 being liable for military service, together with many in the 38-50 age group.

So far, business is coping. Firms employ more women, bring back pensioners, prune dead wood, and, ironically, use more blacks in positions of responsibility. But hardly a company report appears without a warning that the shortage is proving a severe strain. There is a limit to the capacity of a dwindling white population, outnumbered 23 to 1, to withstand a determined guerilla campaign, and the wider consequences of the war will outweigh November's "kill rate."

Complete Saudi takeover of Aramco expected soon

BY OUR OWN CORRESPONDENT JEDDAH, Nov. 24.

THE SAUDI government's negotiations for the complete takeover of the giant Aramco oil consortium are nearing completion. The Government acquired 60 per cent. of Aramco's stock in 1974, leaving the remaining 40 per cent. to Exxon, Texaco, Mobil and Standard Oil of California.

Sheikh Ahmed Zaki Yamani, the Minister of Oil and Mineral Resources, held a two-day secret conference with Aramco representatives in Quiberon, France, last month to try to complete negotiations for the total takeover. There is already a preliminary agreement for 100 per cent. Saudi ownership.

After a further meeting in Riyadh, the Saudi capital, this week, the Under Secretary of Oil and Mineral Resources, Abdul Aziz Turki, said: "It is expected that the terms of the Government's ownership of Aramco in full will be finalised very shortly."

The Saudi takeover of Aramco is expected to pave the way for a similar agreement between Kuwait and foreign oil companies operating there.

Kuwait is already negotiating with British Petroleum and Gulf Oil to acquire the companies' remaining 40 per cent. share in the Kuwait Oil Company. However, the Kuwaiti Oil Minister, Abdul Mutaleb Qazemi, has already said that any takeover action must be co-ordinated with Saudi Arabia as a shareholder in the Arabian Oil Company operating in the partitioned zone between the two countries.

Oil industry sources say the preliminary agreement provides that:

- The Government will pay compensation for the takeover on the basis of net book value. Aramco's present book value is $2,000m., but the Government has already paid $500m. for a 25 per cent. share acquired in 1973.
- Separate agreements will be made for continued exploration by the former Aramco partners in the Aramco area "to provide for an appropriate return on the exploration investment which the companies will still be required to make." (It is understood that this part of the preliminary agreement means that the companies will stand to lose their risk capital on unsuccessful exploration; but where exploration is successful, the Government will repay the outlay plus a specific fee per barrel of discovered reserves, and a corresponding increase in the companies' crude supply entitlement.)
- After the takeover, the former Aramco partners will continue to have access to the bulk of the oil extracted, at Government market prices.
- The companies will receiv[e] a probable fee of between 10 an[d] 13 cents a barrel for operation[s] and other services which the[y] continue to provide.
- A spokesman for the Arabia[n] American Oil Company in Ne[w] York this morning categoricall[y] denied that any final agreeme[nt] on the Saudi Arabian Gover[n]ment's planned take-over of th[e] huge oil company was imm[i]nent, Jay Palmer writes fro[m] New York.

"We have had an agreeme[nt] in principle for some time," h[e] said, "but there are still lo[ts] of unresolved details which wi[ll] inevitably require still furth[er] meetings over the next fe[w] months."

He stressed, however, th[at] most of the remaining points [of] disagreement were minor. Wh[at] would take time, he said, w[as] reaching a final agreement wi[th] both sides' lawyers over th[e] exact wording of the ultima[te] contract.

This morning spokesmen f[or] the four companies owning th[e] minority stake in ARAMCO a[nd] refused to make any comme[nt] on the state of negotiations wi[th] the Saudis. However, spoke[s]men for two of the compani[es] did confirm that there have n[ot] been any meetings between the[ir] executives and the Saudi repr[e]sentatives since the conferen[ce] last month in France.

Arab peace force to move south

BY OUR FOREIGN STAFF

THE SYRIAN-dominated Arab peace-keeping army has decided to send a small force to the Southern port of Tyre, despite recent Israeli warnings and troop build-ups near the Lebanese border, military sources said yesterday.

The sources said, however, that the move would consist of only "about 50 men" who would move into the port area of Tyre, about 18 miles north of the border with Israel.

A spokesman for the Arab peace-keeping force indicated the move was being delayed until the arrival of 600 soldiers from North and South Yemen and another 600 from the United Arab Emirates, from which the Tyre contingent would be drawn. He did not say whether Syrian troops would be included.

Israel has specifically said it would not tolerate the movement of Syrian troops in the South near its borders. Palestinian guerillas already in the Tyre area were also known to be opposed to occupation of the port by a Syrian force.

The Arab army spokesman said the Yemeni and United Arab Emirates units were expected "in a few days."

Reports from Tel Aviv said that the Israel-Lebanon border area had been completely quiet for the past 24 hours. Israeli troops are keeping up their increased state of alertness and are underlining Israel's determination not to allow a large non-Lebanese military presence in Southern Lebanon by stepping up tank patrols in the region.

Israel and the U.S. are reported to have an understanding on the steps being taken by Israel in the border area, according to authoritative sources in Jerusalem. Washington also continues to relay the Israeli position to Damascus.

This position was publicly spelled out by Premier Rabin when he said: "Israel cannot tolerate the Syrian Army going into the southern part of Lebanon; nor can she tolerate and she will not accept the use of Southern Lebanon by terrorists but will feel free to act whenever and by any means she may decide upon to prevent any recurrence of the atrocities against Israeli settlements which occurred a year and a half ago." This was a referen[ce] to the killing of more than [a] dozen schoolchildren in th[e] border village of Ma'alot.

Meanwhile, Lebanese officia[ls] are studying a Soviet plan f[or] rebuilding the devastated port [of] Beirut, the French languag[e] daily L'Orient-Le Jour said ye[s]terday. The newspaper said [a] number of foreign proposals f[or] reconstructing the port hav[e] been examined and officials wer[e] interested "notably in a Sovi[et] project."

- Reuter reports from Tehra[n]: Iran and the Soviet Union wer[e] expected to sign an agreeme[nt] on greater economic co-operati[on] at the end of talks here, accor[d]ing to Radio Iran. The talk[s] which opened on Tuesday, wer[e] being presided over by th[e] Iranian Finance and Econom[y] Minister, Mr. Hushang Ansa[ry] and the Soviet Extern[al] Economic Relations Minister, M[r.] Senyon Skachmoy.

The two sides discussed e[x]pansion of a Soviet-built ste[el] complex in Esfahan, an increas[e] of railway networks and fisherie[s] in the Caspian Sea, according t[o] the Government newspape[r] Rastambiz.

Hua sends troops to Fukien

HONG KONG, Nov. 24.

THE CHINESE Army, acting under "extremely important instructions" from Peking, has sent large numbers of troops into Government offices, factories, schools and other organisations in Fukien province, according to Fukien radio monitored here.

The instructions for sending the army propaganda and mass work teams into units down to village level came from Communist Party chairman Hua Kuo-feng and the Party Central Committee, the radio reports said.

Although there have been reports of trouble with local officials long associated with purged radicals in several provinces, Fukien is the first where large-scale military intervention has been reported.

Fukien radio said "a very small number of people" in the province have been criticised for acting in concert with the so-called "gang of four"—Mao Tse-tung's widow, Chiang Ching, Chang Chun-Chiao, Wang Hung-wen and Yao Wen-Yuan, purged last month.

"The Party Central Committee headed by Chairman Hua showed great concern for the PLA units on the Fukien fronts and gave them extremely important instructions, which have greatly educated and inspired the commanders and the fighters of the units," the radio said.

The radio said that in compliance with the instructions, the party committee of the PLA units on the Fukien front has organised large numbers of commanders and fighters into propaganda and mass work teams. The teams have been dispatched "to various cities, rural villages, factories, mines, government offices, schools and neighbourhoods of our province to vigorously support local work and enthusiastically propagate the instructions of the party central committee."

The broadcast said the troops "moved vigorously to prepa[re] revolutionary public opinion f[or] the smashing of the gang o[f] four. They used loudspeake[r] cars, political evening school[s], wall posters, blackboard new[s]papers and special columns f[or] mass criticism as well as stud[y], discussion, criticism and co[n]demnation meetings vigorousl[y] to publicise Chairman Mao's i[n]structions criticising the gang o[f] four."

Earlier radio reports fro[m] Fukien accused the four purge[d] party leaders of setting u[p] "secret liaison points" with u[n]identified elements in the pr[o]vince.

UPI

- Wang Hung-Wen, the membe[r] of the "gang of four" once co[n]sidered a likely successor t[o] Chairman Mao Tse-tung, wa[s] accused to-day in the People['s] Daily newspaper of stirring u[p] political strife in the sout[h]eastern city of Hangchow, Reute[r] reports from Peking.

Namibia whites warning

BY JOHN STEWART CAPE TOWN, Nov. 24.

ON THE EVE of the meeting between South African Prime Minister, Mr. Johannes Vorster, and delegates from the South African-sponsored Namibian constitutional conference, the leader of the white delegation, Mr. A. H. du Plessis, warned in Windhoek last night that a peaceful solution was out of the question without recognition in the constitution of ethnic diversity.

Mr. du Plessis, a former member of the South African Cabinet, is reported in the Johannesburg Rand Daily Mail to-day to have said, in recent conversations with "conservative nationalists in South-West Africa," that "the Turnhall conference is moving at the pace of a snail. That is exactly what we want, and we intend to keep it that way."

Addressing Nationalists at a by-election campaign meeting last night, Mr. du Plessis said whites would insist on the recognition of their own identity, even if other groups were prepared to down-grade ethnicity.

In a hard-line speech he said that white voters would be consulted, probably in a referendum, before a new constitution became law, but that he could not prescribe a referendum or election to black and brown groups. However, it was necessary, he said, for other delegations to "take their people with them" as well, and that it was essential to be reasonably certain that a majority in the territory supported any solution. For a long time to come, South-West Africa would be dependent on South Africa for officials, soldiers, policemen and other state services, he added.

Algeria to seek a 15% oil price rise

ALGERIA will seek an oil pric[e] increase of "at least" 15 pe[r] cent. during next month's OPEC meeting, according to the Bulle[]tin de l'Industrie Petroliere, [a] daily petroleum bulletin, quotin[g] a "highly placed" Algeria[n] source, AP-DJ reports from Paris.

Meanwhile, Brazilian Foreig[n] Minister, Azeredo da Silveira said that Third World countrie[s] might receive special treatmen[t] from OPEC countries in the event of an oil price increas[e] following talks between a high ranking official of the Brazilian Foreign Ministry with the ambas[]sadors of several OPEC countries.

Libya joined Arab oil hard liners yesterday in demanding a[n] oil price increase to "offset in[]flation precipitated by industria[l] powers of the West."

Australian leaks

An Australian Governmen[t] spokesman said that officials were investigating a report that defence secrets, including designs of the Australian Ikara anti-submarine missile, had been leaked to the Soviet Union, Reuter reports from Canberra. The report also said there had been major breaches of security at the Defence Department concerning Australian nuclear technology policy. One leak concerned classified diplomatic cables involving U.S. Secretary of State Henry Kissinger.

Turkey quake

Local officials say hundreds of people were feared killed by a powerful earthquake in a remote part of eastern Turkey to-day, Reuter reports from Ankara.

Egypt-Syria discussions

BY LOUIS FARES DAMASCUS, Nov. 24.

THE DEPUTY President of Egypt, Mr. Husni Mubarak, arrived here unexpectedly to-day leading a senior Egyptian delegation which includes Deputy Premier and Foreign Minister, Mr. Ismail Fahmy.

This is the first visit to Syria by Egyptian officials since the feud which erupted between the two countries after Egypt signed the second Sinai agreement with Israel in September last year.

Arab diplomatic sources said the purpose of the visit is to co-ordinate the foreign policy of the two countries, in light of the U.S. election result, and with a view to reviving peace negotiations with Israel. Both Mr. Mubarak and Mr. Fahmy, made airport statements in this direction, and expressed "Egypt's eagerness to co-operate with Syria."

Syrian President Mr. Hafez Assad was expected to receive the Egyptian delegation later to-day, and to receive a letter addressed to him by President Anwar Sadat.

صكرا من الاصل

WORLD TRADE NEWS

Nissan fears U.K. dealers may switch to European cars

TOKYO, Nov. 24.

NISSAN MOTOR is apprehensive that some of its U.K. dealers might switch to West European cars now that U.K. imports of Japanese cars are not likely to increase much beyond present levels, Reuter reports.

Some of the dealers may switch to European cars such as Volkswagen if it becomes certain that sales of Nissan cars can no longer be increased, a Nissan spokesman said. If this happens Nissan may have to raise dealers' profit margins or take other measures to retain them in the network.

Datsun U.K., Nissan's sole U.K. sales agent, has invested £3m. in the past three years to expand its network from 200 to 300 dealers and improve facilities, the spokesman said. As a result, Nissan could account for 61,595 of a total 108,345 Japanese cars exported to Britain during the first ten months of 1976.

TERRY DODSWORTH writes: Datsun U.K.'s dealer network has been expanded by 50 outlets during the past 12 months to a total of 340 in order to give it the right balance of representation across the country. So far there is no sign that dealers are leaving the Japanese concession for other foreign networks, and because most of them have a higher throughput of cars than their competitors Datsun U.K. is expected in Britain to maintain this position indefinitely.

● JAPANESE motor production in October rose 1.2 per cent. from September and 4.7 per cent. from the same month a year ago to total 710,605 vehicles, the Japan Automobile Manufacturers Association said. Production in September had risen 27 per cent. from August due to seasonal factors. Output in July totalled a record 718,713 units.

Passenger car production last month was up 1.7 per cent. from September but 0.3 per cent. below the year ago level totalling 453,189 units. Truck output rose 0.6 per cent. from September and 14.9 per cent. from a year earlier to 253,672 units. Bus production totalled 3,744 units, down 8.1 per cent. from September but up 13.8 per cent. from October, 1975. Motorcycle output totalled 345,593 units, down 3.2 per cent. from September but 16.8 per cent. above the year earlier month.

The Association said vehicle output in January-October totalled 6.47m. units, up 12.2 per cent. from the same period last year. It forecast production for the fiscal year ending March 31 at 7.9m. units, up from 7.1m. units in fiscal 1975.

Peruvian order for Sybetra

By David Buchan

BRUSSELS, Nov. 24.

SYBETRA, the Belgian general contracting company, has signed a contract to provide Peru with a $65m. zinc refinery. Financed by Belgian state guaranteed supplier credits, Sybetra will group together the services of two Belgian, one Belgian-American, and one Spanish company (in all of whom Sybetra included, the giant Belgian holding company, Societe Generale de Belgique, has an interest).

The refinery is to be a turnkey project with its production destined to start in 1980, almost entirely for export. Sybetra spokesmen claim that the Peruvian refinery will be the largest and most modern of its kind in Latin America.

Soviets order first EMI scanner

EMI has won its first order from the Soviet Union for an EMI-Scanner computerised medical X-ray system. Under a contract worth over $550,000 EMI Medical is to equip the Russian Academy of Medical Sciences with an EMI-Scanner brain examination system. The machine will be operated by the Academy's Institute of Neurology in Moscow. The Institute will be the first hospital in Russia to have a CT scanner.

EEC officials express concern at growth in textile imports

BY GUY DE JONQUIERES

BRUSSELS, Nov. 24.

DEEP CONCERN was expressed by the EEC Commission to-day at what a senior official described as the "intolerable" growth of textile imports into the Community over the past few years.

Mr. Benedict Meynell, the Commission's chief textile negotiator, said that if imports continued to increase at the same rate as they had done in 1974 and 1975, the viability of the European industry would be seriously affected.

According to Commission calculations, the Community took 72 per cent. of import trade of all industrialised countries between 1973 and 1975, and last year it accounted for 39 per cent. of the total textiles and clothing imports of the industrialised world, compared with 33 per cent. in 1973.

Between 1972 and 1975 EEC textile production fell by 11 per cent. and employment by more than 400,000. During the same period production by developing countries rose by 10 per cent.

Mr. Meynell was speaking in advance of next week's meeting of the GAAT textile committee in Geneva, at which the workings of the EEC's multi-fibre arrangements with supplier countries are due to be reviewed in depth.

This meeting will prepare the ground for discussions next month on whether the MFA should be maintained in their present form after they expire at the end of 1977, or whether they should be amended or repealed.

Though his remarks were clearly intended as a warning to the developing countries covered by the arrangements that the Community intends to adopt a tough stance in negotiations over the future of the MFA, they appear to have been aimed primarily at reassuring European textile producers that the Commission is sensitive to the industry's current difficulties.

A warning

It is probably no coincidence that only yesterday the Comité International de Rayon et Fibres Synthetiques, which represents European fibre producers, published a submission calling for a further lowering of import growth rates permitted under the MFAs.

While voicing alarm at recent import trends, Mr. Meynell was also careful to point out that the first of the bilateral agreements concluded between the EEC and the 13 supplier countries had only gone into effect in mid-1975 and that it was, therefore, too early to judge their impact. But he added, that they should reduce import growth "very significantly."

David Curry adds from Paris: Unless urgent action is taken at Community level to protect the European textile industry against the flow of imports up to 1.4m. of the 4m. workforce employed in the sector would have to be dispensed with. This cry of alarm came yesterday from M. Renaud Gillet the head of the French textiles and chemical group Rhône - Poulenc which has suffered serious and persistent losses in its textiles division.

If European action was not forthcoming, he added, Europe could become entirely dependent on imports for articles of mass consumption. Speaking at a company function in Lille he called for action before the expiry in 1977 of the 1973 GATT agreement on textiles which govern the present import regime.

His fears echoed those being expressed in Paris at the same time by M. Jean-Louis Juvet president of the International Textile and Manmade Fibres Committee who said that the very existence of European industry was threatened by the competition from low wage countries. He also appealed for a revision of the GATT textiles provisions and for a stricter control over the rate of growth of imports.

The continuation of a 6 per cent. growth rate for imports which represented a 1.8 per cent. a year increase in market penetration would serve to wipe out half the clothing industry by 1985, he claimed.

Differences settled in Dutch, Soviet air dispute

BY MICHAEL VAN OS

AMSTERDAM, Nov. 24.

AFTER TALKS in Moscow lasting nearly a week, the years-long dispute between the Russian and Dutch national airlines and the two countries' air authorities over the sharing of passengers and revenue on the Coscow-Amsterdam air routes appears to have been finally resolved.

Returning from Moscow this morning, the deputy director-general of the Dutch Civil Aviation Authority (RLD), Dr. Ridzert J. Zwanenburg, who headed a six-man delegation, said at a Press briefing at Schiphol Airport that a commercial air agreement had been signed between Aeroflot and KLM Royal Dutch Airlines.

It provided for a pooling agreement on the Amsterdam-Moscow service, governing passengers as well as freight, with charter traffic coming under a separately signed agreement. This basically means that the two airlines agreed to put similar capacities on the route and that revenue would be shared on a 50-50 basis. Aeroflot opreates two weekly flights to Amsterdam, KLM two indirect flights to Moscow.

The agreement, which is backdated to April 1, 1976, so that KLM is still owed a sum, means that the threat of a complete cancellation of Moscow-Amsterdam flights by both Aeroflot and KLM is averted and the Dutch RLD is now certain to approve the Russian airline's requested winter schedule—a decision that had been upheld by the Dutch for some time.

The Dutch delegation, which consisted of representatives from the RLD, the Dutch Foreign Affairs Ministry and KLM, said that agreement had also been reached on the point of illegal ticket sales (low-priced) by Aeroflot in Holland and that it had been asserted by the Russians that this would not happen again.

The KLM representative said that, on an annual basis, Aeroflot had been carrying 9,000 on the scheduled flights while KLM carried only 3,000 passengers with the revenue ratio being five-to-one. He estimated that, based on official fares, KLM had earned Fls.9m. less than Aeroflot on the services on an annual basis, from which costs would have to be deducted.

The air agreement is seen as a marked success for the Dutch parties, who, not having too much to lose in view of the financially unattractive Moscow route, could this time afford to take a tough stand over the matter. They not only threatened to close Schiphol Airport to Aeroflot before the end of the year, but Transport Ministry spokesmen indicated that Holland could also decide to ban the Russian airline's 80 weekly flights over Dutch territory—something that would have hurt the airline much more than losing Dutch landing rights.

On the other hand, there has also been considerable pressure on the political side to avoid such major incidents as well as from Dutch commerce and industry who feared that exports to the area might be harmed as a result.

French exports decline

BY DAVID CURRY

PARIS, Nov. 24.

PRODUCTION FIGURES for October confirmed that the French motor industry is heading for a record year, but the month-to-month sales statistics indicate a worrying trend in exports.

At 2.41m. cars output over the first ten months of the year was 16.5 per cent. better than last year and 1.6 per cent. up on the best ever previous year of 1973. Some 1.51m. cars were sold at home while 1.24m. were shipped overseas.

Average daily output in October itself was around 30,200 vehicles while registrations, at 175,000, were 8.6 per cent. better than October, 1975. However, some 45 per cent. of October output was devoted to export against an average for the year as a whole up to now of 50 per cent. and the industry is afraid that conditions of overseas markets are getting more competitive.

Although domestic demand remained strong in October the industry is also worried about the effects of the Government's austerity programme on car purchase, in particular the more expensive petrol and the heavier road tax quite apart from the all-round tax increase.

The outlook for commercial vehicles is much less rosy. With exports badly down on last year —28 per cent. in October alone and 20 per cent. below 1973 levels — and home demand remaining weak, manufacturers are beginning to get alarmed at the failure of operators to make investment decisions already postponed from the 1975 economic crisis.

Opel challenge to VW

BY GUY HAWTIN

FRANKFURT, Nov. 24

ADAM OPEL, General Motors' West German subsidiary, has reported that its car registrations in the domestic market have been three times higher than the industry's average. Opel's sales growth in 1976 appears to be outstripping that of its competitors.

According to a statement from the concern today, new registrations in the first ten months of the year were up by 27.1 per cent. against the figures for 1975. This compares with an average growth of 9 per cent. for the industry as a whole.

Opel's share of the West German market during the period increased from 17.4 per cent. to 20.3 per cent. Opel's registration figures show a faster rate of growth than its competitor the Volkswagen group.

VW reported last week that deliveries of VW, Audi and NSU models to customers in the Federal Republic were up by 13 per cent., or 63,000 units, to 534,000 vehicles. At the same time the group's share of the West German market increased from 27.1 per cent. to 27.4 per cent., while the Golf model captured 8.8 per cent. of the market to become West Germany's biggest selling car.

Now Opel appears to be offering an even stronger challenge to VW in the popular car field. Opel registrations in the opening ten months of the year totalled 402,713 units — 85,000 vehicles more than in the same period of 1975. October registrations alone amounted to 34,165 units.

The group is now claiming that for the first time in its history more than 900,000 Opel models will be built in a year. The report also predicted that 1977 would be another good year.

John Walker adds from Stockholm: Volvo the Swedish car manufacturers has signed an agreement with the Volkswagen concern for the production of diesel motors for the Volvo 240 series cars. The first delivery is expected to be made towards the end of 1978.

Diesel motors should compliment the range of the Volvo programme and increase the volume of car production. The market for diesel driven cars is still developing and has advantages such as lower fuel taxes and lower exhaust emission.

Lower U.S. forecast

DETROIT, Nov. 24.

CHRYSLER HAS lowered its projections for total car sales in the U.S. in the current 1977 model year to a range of 10.5m. to 10.8m. units, including imports. The company previously had predicted industry sales of between 10.8m. and 11m. units.

The company said: "While current sales are a little softer than we would like, we expect that by spring new car sales will be back up on a trend line similar to our earlier estimates of around 10.8m. units."

Chrysler is now the first company to officially scale down its 1977 car sales estimate. Sales have been off since the model year started on October 1. Initially, analysts blamed the decline on the impact of the Ford Motor Company shutdown by the United Auto Workers Union, but that strike ended more than a month ago and sales are below what analysts have said they should be if the strike is taken into account.

Agencies

Australian imports rise as registrations slump

BY KENNETH RANDALL

CANBERRA, Nov. 24.

DESPITE A 60 per cent. rise in Australian car imports during October, sales appear to have slumped back towards the level of August, which was the lowest in nine months.

The official registration statistics issued to-day, carried a warning against equating registrations directly with sales because of possible lags in processing. But there was nothing to indicate that this should have affected the figures more in October than in earlier months.

The trade, in fact, says there is no reason to doubt the trend illustrated by the figures and no sign at present of it being reversed. October registrations, after seasonal adjustment, were down to 46,144 after their brief recovery in September to 47,524.

In the four months to the end of June, when prices rose because of new emission control regulations, car sales were consistently well over 50,000 units.

The upsurge in imports during the month suggests more strongly than ever that import quotas, due to end on December 31, will be maintained in line with the Government's policy of preserving 80 per cent. of the Australian market for domestic manufacturers.

But the figures are also bad news for the Government on general economic terms at a time when it is looking for any evidence of stronger demand and confidence. Yesterday, the Statistics Bureau report a 6 per cent. fall, after seasonal adjustment, in new capital investment for the September quarter after an equally depressing result in the June quarter. On this basis, the current rate of growth in GDP would appear to be well under 1 per cent.

Cuts mean 'virtual halt' to local road building

BY IAN HARGREAVES, INDUSTRIAL STAFF

PUBLIC SPENDING restrictions will mean a virtual halt to local road building schemes and could wipe out the entire motorway and trunk-road programme in the next two years, according to the British Road Federation.

The federation is supported by such bodies as the Automobile Association, the State-owned National Bus Company and National Freight Corporation.

It bases its claims on the level of transport supplementary grant for English and Welsh counties announced this week and speculation about cuts likely to be imposed as a result of the anticipated loan from the International Monetary Fund.

On the motorway and trunk-road programme, which is directly financed from central Government, it reasons that if public spending is cut by £2bn., as many forecasts have suggested, and transport is forced to take the same share of the cuts as it did when the cuts of £1bn. were imposed in the summer, there will be virtually no cash for new road contracts between 1977 and 1979.

This analysis is based on the assumption that of the £850m. set aside for spending on roads between 1977 and 1979, £500m. will be needed to meet the cost of contracts already in progress.

The remaining £150m. would be available for new projects. but if road building took a similar share of the cuts to the £70.5m. suffered in July as a result of the £1bn. cuts, the entire provision for new road projects will be eliminated, the federation estimates.

'No justification'

Details of the analysis have been presented to Mr. William Rodgers, Minister of Transport, and the federation is to seek a further meeting with him to discuss the question of transport supplementary grant.

Here, too, the federation believes that transport is being asked to shoulder a disproportionate part of the burden of cuts.

It points out that Mr. Rodgers' announcement of a £255m. grant for 1977-78 (at present prices) represents in total a trimming of 66 per cent. on local authorities' desired levels of transport spending.

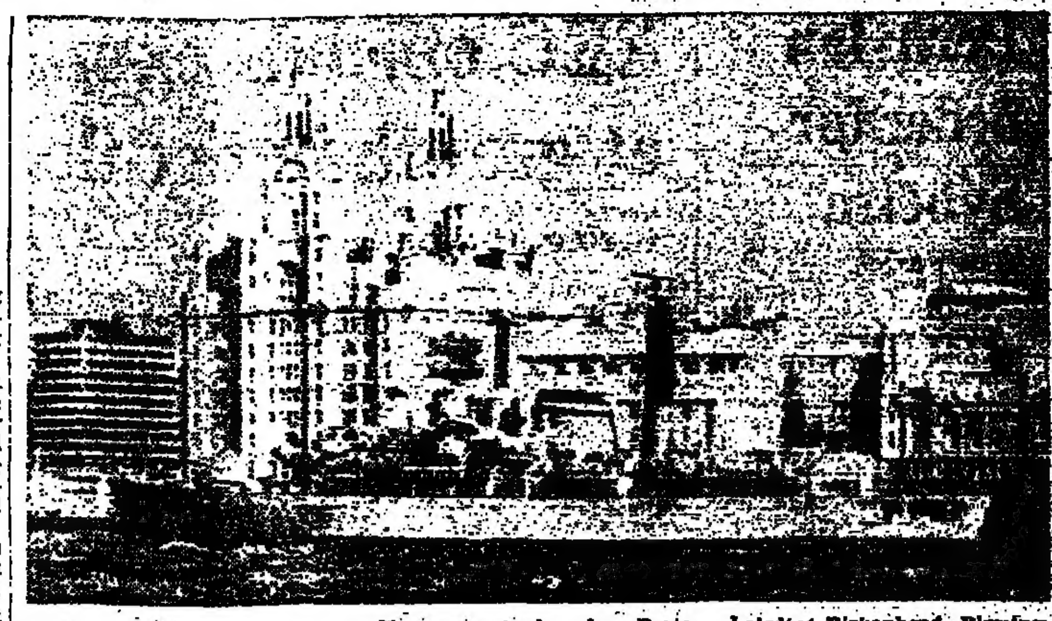
The federation fears that most authorities will follow the pattern set by the Greater London Council and channel scarce resources into public transport revenue support, meaning "a virtual standstill in road building."

In real terms, the federation says that transport spending at local level has been cut from £1,199m. in 1975-76, to £1.095m. in 1976-77 and to a planned £784m. next year (again at present prices).

"There is no justification for a 28 per cent. cut between this year and next," it says.

Mr. Robert Phillipson, director of the federation, said yesterday that he would ask Mr. Rodgers to lay down regulations to prevent local authorities draining cash out of road building programmes.

In principle, the federation was in favour of much tighter central government control of regional transport spending.



BIRMINGHAM, the Navy's latest guided missile destroyer, leaving the River Mersey yesterday for Portsmouth, where she will be accepted by the Navy to-morrow. Built by Cammell Laird at Birkenhead, Birmingham is the Navy's second Type 42 destroyer. Her armament includes Sea Dart missiles.

Fares loss forecast criticised

By Ian Hargreaves, Industrial Staff

LONDON TRANSPORT should be told that its projection of a £97m. loss next year was unacceptable, the Greater London Council Conservative Opposition group said yesterday.

The Tory criticism came five weeks before a formal GLC review of the transport budget. and allocation of subsidies to cover the deficit.

Mr. Richard Brew, Tory transport spokesman, said that at least £20m. could be saved by greater automation of ticketing, "route streamlining" and consequent natural wastage of staff.

He also wanted to see measures against losses through fare-dodging and through staff pocketing excess fares, estimated by one councillor at £20m. a year, but which London Transport claim as "certainly under £10m."

Mr. Brew said that the Labour group's plan to take £15m. from London Transport's reserves to meet debts would leave the service without backing next year, when the social contract expired and "costs hit the ceiling."

Transport group attacks lorry permit plan

BY IAN HARGREAVES, INDUSTRIAL STAFF

A PROPOSED permit scheme for lorries entering central London would be wasteful, unhelpful in relieving congestion, and could be used to bring pressure on industry in the area, the Freight Transport Association said yesterday.

The association was responding to a plan by the Greater London Council to issue central London companies requiring deliveries from lorries over 40 feet with permits of entry. This would improve the existing "access only" arrangement, the council believes.

About 200 vehicles a day are affected, many of them making newsprint deliveries to Fleet Street newspapers.

The FTA believes that although permits would be issued freely at first, they could be used on renewal dates as a means of bringing pressure on a company's choice of site. It would in this way be a form of retrospective planning control.

The GLC does not intend to introduce the permit system at once in order to allow time for consultation with the companies affected.

Insurers safe, students say

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

THE National Union of Students yesterday denied that any large drain on its subscription income which might follow the collapse last week of its travel service—formerly a major attraction of NUS membership — would endanger its main surviving company, Endsleigh Insurance (Brokers).

The NUS said that at worst, the insurance undertaking might have to be sold, but with the NUS retaining representation on the Board.

The union would have to "streamline" its overall budget of £500,000 for next year as a result of the failure of its travel company, the union added, but there was no question of the NUS collapsing financially.

Education policy talks proposed

By Michael Dixon, Education Correspondent

THE GOVERNMENT is setting up discussions on greater participation by employers, parents and other lay people in the deliberations of the Schools Council, which has overall responsibility for school curricula and examinations in England and Wales.

At present the council's governing body includes representatives of 80 professional interest groups, among whom the teachers' unions have an automatic majority.

The discussions—which to be successful would apparently have to persuade the Schools Council to reorganise itself—are promised in the Department of Education and Science's short reply to a report published two months ago by a select committee of MPs,

The Government's Reply to the Tenth Report from the Expenditure Committee; Cmnd 6678. S.O. 25p.

Three-day week for workers

WORKERS FROM two Carlisle factories are to start a three-day week it was announced yesterday.

Ferguson's Fabrics, a member of Viyella International, is to put 430 fabric printers on short-time. While at Kangol (Magnet) Limited, 200 workers will, on Monday, join another 200 employees who are already working a short week.

Plan to nationalise banks is attacked

FINANCIAL TIMES REPORTER

IN A RENEWED attack on Labour Party proposals for nationalisation of the big four banks and the top seven insurance companies, Mr. T. H. Bevan, deputy chairman of Barclays Bank, last night said that the plans were based on ideology rather than reasoned argument.

His comments came after recent suveys which have shown a decisive rejection of the proposals among the general population.

Mr. Bevan told Barclays' London branch managers that any measures to stamp out unsocial financial behaviour should be supported. Even though insider dealings were "a blot on the financial world," nationalisation was no answer.

"The clearing banks suffer from the well-publicised wheeler-dealing of some of the so-called banks. But nationalising the clearers would be no cure for the imprudence and poor supervision which led to the great expansion of property lending, mainly by the non-clearing banks, including the fringe banks."

The insurance industry had also suffered from its black sheep. But the vast majority of insurance business was conducted "with an exemplary honesty, shown by the fact that in spite of the weakness of our currency London is still the centre of the insurance world.

"Nationalisation of the seven insurance companies would not be sensible and almost certainly the first thing to suffer would be the benefit to the invisibles, where private sector earnings have been running at a net monthly surplus of £240m.," Mr. Bevan said.

Money supply growth 'rules out MLR cuts'

BY MICHAEL BLANDEN

THERE is little scope for further reductions in minimum lending rate if the Government is to achieve its target of a 12 per cent. growth in the money supply in the current financial year, say the stockbrokers Morgan Grenfell and Co. in their assessement of monetary developments.

Following the reintroduction of the "corset" controls over growth of bank resources, the brokers conclude, the target may be met.

This will be done only if MLR does not fall much further after last Friday's ½ per cent. drop from the peak 15 per cent. The achievement "will be of little practical relevance as the statistic will be massively distorted."

Distortions arise, says the assessment, through actions which can be taken by the banks to circumvent the corset controls by running down their holdings of "surplus assets," including, particularly, market loans to local authorities.

The clearing banks will be seriously constrained in their lending by the new controls, it adds. An estimate of the position in October by the brokers suggests that the clearing banks may already have been 4.5 per cent. over the base level for interest-bearing eligible liabilities in mid-October.

This would mean their having to cut back to meet the limit of a 3 per cent. growth in these resources in the next six months. The other, non-clearing, banks should be relatively well placed.

With the exception of the American banks in London, the brokers say, the other banks were within their limits under the corset in October. They have substantial market loans to local authorities and will be able to increase lending by running down by these loans and holdings of commercial bills. The yields on these assets will exceed those on bank deposits.

The corset will also come under pressure, the assessment suggests, from the "huge public-sector borrowing requirement," even though on the basis of the central Government figures for October the requirement is expected to be below £11bn. for the current year, against the revised official estimate of £11.5bn.

Against this, demand for bank loans is expected to become fairly sluggish after the recent increase which prompted the official restraints, provided that sterling remains reasonably firm. A more stable pound would remove one motive for increased borrowing to finance leads and lags, and would reduce pressure of rising raw material costs on stock finance requirements.

Anker quits MEPC Board 'by mutual consent'

BY QUENTIN GUIRDHAM

MR. PETER ANKER, until earlier this year managing diretcor of the property group MEPC, has resigned from the Board. The company said yesterday that the parting was "by mutual consent." It would not comment on whether it had involved any payment to Mr. Anker.

Mr. Anker is understood to be returning to Canada, where he established his reputation running the Canadian subsidiary of MEPC. He has also resigned from its Board.

He became manging director of MEPC in 1972 in a period when the company adopted an international development programme. He stepped down as managing director after board-room disagreements while the company was retrenching after the fall in the property market.

Sir Gerald Thorley temporarily held both the posts of chairman and managing director before the development director, Mr. Christopher Benson, was appointed managing director.

Plea on student finance

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

DISCRIMINATION against women is ingrained in the State system for financing students on courses of higher and further education, according to evidence presented yesterday by the Equal Opportunities Commission to the Department of Education and Science.

Calling for national discussions on revising the system, the commission makes detailed criticisms of the present practice of awarding grants as of right to people accepted on courses designated as equivalent to a degree, and leaving the decisions whether or not to finance students on other courses to the discretion of financially-pressed local education authorities.

OBITUARY

Mr. J. C. Saunders

MR. JOE SAUNDERS, Head Printer of the Financial Times, died suddenly on Tuesday, at his home at Woodford, Essex, at the age of 45.

Mr. Saunders, like his father before him, was apprenticed to the printing industry, serving his time at Newnes and Pearson after leaving St. Joseph's College.

On coming out of his apprenticeship he completed his national service with the Royal Navy, where he served at sea throughout his two years in the Mediterranean area.

He joined the Financial Times as a compositor in 1960, and was subsequently elected Imperial Father of the Composing and Reading Room Chapels.

In 1972 Mr. Saunders transferred to the staff as a deputy head printer, succeeding as Head Printer at the beginning of last year, an appointment in which he earned the highest respect of all who worked for him or in association with him.

He leaves a wife and three children to whom the company extends its deepest sympathy.

Fire damage lowest for 19 months

BY ERIC SHORT

FIRE DAMAGE last month fell to its lowest level for 19 months according to figures yesterday from the British Insurance Association.

At £13.8m., there was a £7.4m. fall on September and a drop of more than £3m. on October last year.

Nevertheless, the overall cost so far this year is still well ahead of that for the corresponding period of 1975 at £201.8m. compared with £173.8m. The figures exclude Northern Ireland.

The largest fire last month was at a warehouse and paper m[ill] in the North-West, whe[re] damage was estimated at £1[...] There was a fire at a pots[...] store in Scotland which cost estimated £750,000, and two fi[res] —at an animal foodstuff facto[ry] in the Home Counties and [a] pharmaceutical plant in [the] North-West — where dama[ge] amounted to £500,000 in ea[ch] case.

There were 36 other fires w[ith] damage at more than £25,000, which 21 occurred at pub[lic] places such as shops, schools a[nd] hotels.

Redundancies may follow brokers' merger

BY KEITH LEWIS

PIDGEON MAGUIRE AND CO. and Cohen de Smitt are to merge. The new firm will be called Pidgeon de Smitt, and will have a partnership of 33.

The move is seen as largely defensive at a time when all stockbroking firms are suffering through lack of volume, and redundancies are expected to follow. Talks have been taking place between the two fir[ms] since early spring.

The new firm will oper[ate] from offices in Salisbury Hou[se] with branch offices in Lymi[ng]ton, Poole, and Truro.

The merger with Cohen w[ill] add to Pidgeon Maguire, wh[ich] has large private client and [in]stitutional business, a consid[er]able arbitrage operation. B[oth] firms are strong in branch ba[nk]ing business.

Modern print design attacked as 'ugly'

BY DONALD MACLEAN

CONTEMPORARY print design standards were attacked last night by Mr. Brooke Crutchley, the former Cambridge University printer, in a Royal Society of Arts lecture in London.

"All around—in books and newspapers and packaging, everywhere, in fact—one is all too often confronted by the drab, the gauche, the downright ugly."

The ugliness was seldom accidental. The idea that "ugly was chic" had been favoured by one school of designers since the early part of the century. This was so not only in graphics. Such a "heresy," Mr. Crutchley said, started with the hob[ble] skirt.

The "ugly was chic" idea [...] its wide acceptance provi[ded] designers with an excuse [for] abandoning "those discipl[ines] which are really essential [to the] communicative arts.

"There is a lack of discrim[in]ation and sensibility in so mu[ch] of what is presented to our vi[ew] to-day. And often we seem [to] be bludgeoned into acceptan[ce] of whatever it is that somebo[dy] is trying to say or sell to us.

"As a result, the art of pr[int]ing, which could do so much [to] grace our environment, o[ften] helps to brutalise it."

Perstorp expanding in laminates

PERSTORP, the Swedish chemicals and plastics group which bought the Wareite decorative laminate business in September from BXL, is to expand its industrial laminate activities in Britain.

It is setting up Perstop Industrial Laminate on January 1 as a marketing arm to push the group's range of industrial laminates, used mainly for printed circuits.

Perstorp Industrial Laminate will replace Perstorp, a company that has been marketing imported industrial laminates in Britain for the past 10 years.

Perstorp sells its industrial laminates mainly in the electrical and electronic industries, telecommunications, computers, radio and television and has about 10 per cent. of the market.

Turnover next year is estima[ted] to be in the region of £2m.

The managing director [of] Perstorp Industrial Lamin[ate] will be Mr. Rod Taylor, forme[r] sales manager with Perstorp. T[he] company will be based at [the] Aycliffe plant in County Durha[m] and the offices at West Drayt[on] in West London, will be close[d].

More jobs afte[r] plant expands

FIFTY MORE jobs are expec[ted] to be provided by Egrem[ont] Tubes at Hensingham, Cumb[ria]. The company, which manu[fac]tures composite containers [and] cable reels, announced yester[day] that it is to extend its fact[ory] at a cost of £87,000.

U.K. ECONOMIC INDICATORS

General	1976 Oct.	1976 Sept.	1976 Aug.	1975 Oct.
Unemployment ('000s)	1,377.1	1,456.4	1,501.9	1,165.4
Unfilled vacancies ('000s)	139.8	141.7	129.8	132.0
Currency reserves ($bn.)	4.703	5.158	5.029	5.710
Basic materials (1970=100)	327.1p	314.1	304.0	252.2
Manfrd. prods. (1970=100)	229.5p	226.3	223.4	197.0
Bank advances (£bn.)	15.493	15.003	15.100	14.132
Retail prices (1974=100)	163.5	160.6	158.5	142.5
Wage rates (July 1972=100)	217.4	217.4	217.3	186.3
Terms of trade (1970=100)	79.1	86.5	80.8	81.5
	Sept.	Aug.	July	Sept.
HP debt (£m.)‡	2,465	2,430	2,386	2,257
Retail sales val. (1971=100)	206.4	204.3	199.9	179.2
Industrial output (1970=100)	102.3	100.8	101.8	100.0

Trade and Industry	1976 Oct.	1976 Sept.	1976 Jan.-Oct.	1975 Oct.
Steel, weekly average ('000 tonnes)	457.7	426.0	428.5	403.0
Imports fob (£bn.)	2.582	2.508	2.285	1.945
Exports fob (£bn.)	2.222	2.132	1.976	1.728
Visible trade balance (£bn.)	−0.360	−0.376	−0.303	−0.217
	Sept.	Aug.	Jan.-Sept.	Sept.
Cars ('000s)*	100	80	111	120
Commercial vehicles ('000s)*	29.5	26.5	30.7	31.1
Houses completed ('000s)§	28.5	24.0	25.8	28.3
Bricks (millions)*	485	414	456	453
Cement, weekly average ('000 tonnes)*	314	301	311	331
TV sets ('000s)‡‡	279	169	194	237
Radios, radiograms ('000s)‡‡‖	343	235	298.2	372
Furniture (1970=100)†**	150	147	149.7	154
	Aug.	July	Jan.-Aug.	Aug.
Man-made fibres (m. kgs.)*	43.82	46.72	50.97	40.77
Petroleum (m. tonnes)h	5.360	5.715	6.582	5.015
Hosiery (1970=100)**	99	95	96.25	96
Electric cookers ('000s) f†	65.9	63.3	75.0	59.9
Washing machines ('000s)†	51.8	48.3	71.5	51.2
Engineering orders on hand (1970=100)**	89	89	91.7	108
	July	June	Jan.-July	July
Raw cotton, weekly average ('000 tonnes)§	2.19	1.91	2.31	2.66
Raw wool (m. kilos)§	8.7	9.9	10.0	9.0
Machine tools (£m.)‡	28.0	27.5	30.5	26.1

	1976 3rd qtr.	1976 2nd qtr.	1975 3rd qtr.	1975 2nd qtr.
Consumer spending (£bn. 1970 values)	8.860g	8.789	8.729	8.839
Motor trade turnover (1972=100)	177	176	151	148
	2nd qtr.	1st qtr.	2nd qtr.	1st qtr.
Building and civil engineering (£bn.)c	3.163g	3.014	2.912	2.644

* Production. † Deliveries. ‡ Net sales. § Consumption. ** Season[ally] adjusted. †† All manufacturing industries. ‖ Excluding car rad[ios]. ‡‡ Deliveries, U.K. made and imported sets. d Prices. f Includ[ing] cooker griller toasters. c Value of output. ¶ United Kingdom seasonally adjusted. g First preliminary estimate. p Provisio[nal] figures. h Deliveries of petroleum products for inland consumpti[on].

هكذا من الاجل

What are you buying your chauffeur for Christmas?

You may well still be in time to treat him to a Peugeot 604.

The 604 is a spacious, beautifully appointed luxury motor car and it's because of this, that an increasing number of discriminating motorists now choose it.

In a recent road test comparison, for example, the highly critical 'Car' magazine pitted our Peugeot against the Jaguar XJ3.4 and BMW 528.

Overall, their choice was the Peugeot.

Of the handling and roadholding they said it "combines a similarly outstanding ride to that of the Jaguar with marginally greater roadholding in the wet."

They went on to describe the power-assisted rack and pinion steering as having "a delicious precision feel to it, making the car feel eminently driveable."

Orthopaedically designed seating, outstanding legroom in the back and high rear roofline caused 'Autocar' to comment "all told, the 604 surely offers about the best back seat comfort one can buy, second only to the Silver Shadow."

For all its armchair luxury, the 604 is hardly lacking in performance.

The 136 bhp V6 engine whisks the car to 118 mph while returning fuel consumption figures of up to 23 mpg.*

The specification is no less than you would expect from a car in this class.

All models have four electrically operated windows, subtly tinted glass all round, an electric sunroof, superb quadruple halogen headlights and power steering.

Individual rear interior lamps, head restraints, convenient inertia reel seat belts and a quartz crystal clock can be taken for granted.

Prices begin at £5,851 for the manual gearbox model and run to £6,725 for the automatic 604SL complete with hide upholstery and air conditioning.

(The air conditioning option may mean your chauffeur will have to wait till after Christmas for delivery).

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U.S. grocers' trimmed sales

BY ELINOR GOODMAN

IN ISOLATED cities around the U.S. shots are being fired in what is feared could be the beginning of a more widespread guerilla war. The battle is being fought in America's 191,000 food shops which, having partially recovered from the problems caused by double-figure inflation and the recession, are now finding it difficult to adjust to a slow-down in the rate of food price inflation. In the last three years, America's $143bn. grocery industry has had to examine a number of well-entrenched beliefs, such as the assumption that bigger stores are always better stores. Now, costs are rising faster than the prices of the goods they sell, and retailers are having to cope with a new set of problems.

The reaction of some supermarkets which saw their cash sales fall for the first time this spring, as meat and other fresh food prices dropped, was to assume that the business was going to a competitor. In a bid to boost sales and create the kind of growth they had become accustomed to seeing during the years of high inflation and to which their future budgets were geared, companies cut their prices.

So far, the price wars have been localised. Indeed, given the size of America and the way that even the biggest companies limit their operations to certain states, it is very difficult to identify any single trans-American trend in food retailing. But it is generally hoped that the present outbreak of price wars will not reach the scale of the battle sparked off by the Great Atlantic and Pacific Tea company in 1972, when the company, in a desperate bid to reverse the fall in its own fortunes, cut prices across the board and contributed, along with price controls, to the drop in profitability for the industry as a whole.

The reason for this optimism is based partly on the fact that the grocery market is once again growing in real terms and partly on the assumption that the industry simply could not stand another widespread war and that in each city where it starts, bankruptcies will kill off some of the combatants. Even so, most of the big groups are aware that, with gross margins slightly up on the very lean years of 1972 to 1974, they are vulnerable to attack from any predatory local operator.

The key to this kind of market situation is seen as flexibility. Increasingly, the big groups are finding that they cannot adopt the same trading policies across the whole geographical sphere of their operations. All are trying to find the fine balance between exploiting the economies of size—which are rather less than in England because of the limitations on straight bulk discounts—and the flexibility which goes with a tightly run local chain. A recent survey of leading American supermarket directors showed that 59 per cent. considered that the type of operation favoured by current conditions was the medium sized chain. Only 21 per cent. thought the large national chains with hundreds of stores had the best chance of succeeding — possibly partly because the chains are stronger in these big groups.

Optimum size

This disenchantment with size for its own sake is also evident in relation to the size of store now being built. American food stores started moving to out-of-town centres decades before the British operators ever thought of such developments and to-day no one would seriously consider selling food in a shop without a car park. The average store size of around 16,000 square feet is far larger than in England, but while the American supermarket operators are continuing to close their smaller stores and open larger ones—thus increasing the average size of outlet—the size of the average new store opened last year, at 24,000 square feet, was smaller than in 1974.

This reversed the long-term trend towards larger stores and reflected a number of factors which have convinced some American groups that 30,000 square feet is the optimum size for selling groceries. The market is saturated with supermarkets and there is no longer the population growth in most areas to justify building larger stores on the assumption that the population will expand to take up the extra capacity.

Higher interest rates last year also made companies more cautious about big developments. Probably more fundamental was the unhappy experience some companies have had in going outside their traditional sphere of knowledge in fast turnover products and into consumer durables and clothing. Though most of the groups are trying to increase their sales of higher margin products, like fresh fruit and meat and the smaller non-food items like stationery and small appliances, they are generally wary of larger items of consumer expenditure, like washing machines, which the English hypermarkets sell. With a discount variety store in most shopping centres, competition for such sales is too strong to offer the food operators much room for manoeuvre.

As in England, the rate of investment in American food retailing slowed down in real terms during the recession and may affect the service offered over the next few years. In general, however, the business is in better shape now than it has been for some time. There was real growth last year with retail food sales increasing by 9.5 per cent. as against a rise of 8.3 per cent. in the index for the price of food eaten at home. Gross margins, which are traditionally higher than in England, because of the larger wage cost element, recovered last year from around 21 per cent to over 22 per cent. Net profit margins after tax also showed a small recovery because of an increase in income from outside straight retailing.

Against this, however, the return on assets fell slightly while the net pre-tax operating margin fell from 1.8 per cent. to 1.5 per cent. The picture from published results this year has been uneven, with 18 companies reporting higher profits and 14 lower earnings. On average, earnings in the first half of 1976 were 0.9 per cent. down on the same period last year with the second quarter showing a marked improvement on the first three months.

What does seem certain is that the results would have been much worse had it not been for the cost-cutting which has been carried out by most of the major groups over the last three years. As in England, shop closures have accelerated with A and P, now pushed back to second place in big league, shutting 1,450 shops last year in an attempt to solve its own rather special and acute problems.

In an attempt to save further costs, A and P took what in England would be considered the unorthodox step of closing down its own warehouse facilities and buying its foods instead from a local wholesaler. Other groups centralised their meat cutting operations—now les[s] than half the meat sold in super[markets] arrives in the stores i[n] carcass form—and overall ther[e] was a small improvement i[n] productivity in the industry las[t] year.

One of the biggest potentia[l] economies is seen as being th[e] introduction of compute[r] assisted checkouts, which coul[d] mean that supermarkets woul[d] no longer have to individuall[y] price mark goods, as the scanne[r] would automatically read th[e] price from the coded informa[tion] on the product, so givin[g] companies a more exact pictur[e] of their stock position. As ye[t] however, progress has bee[n] slow, partly because many com[panies] are waiting for th[e] cheaper, second generatio[n] equipment to come on t[o] the market, and partl[y] because the consumer group[s] have persuaded the industr[y] to continue individuall[y] price-marking goods unt[il] shoppers have become confider[nt] in the new system.

Deeper cuts

But in spite of these moves t[o] reduce costs, all the groups ar[e] out to increase volume. Tot[al] wage costs, which now accou[nt] for 67 per cent. of all the foo[d] retailers' costs, are expected t[o] rise by between 10 and 14 pe[r] cent. this year, and, as com[petition] is preventing an i[n]crease in gross margins in man[y] areas, extra volume is seen a[s] an essential to cover cost[s]. Hence the price wars, the i[n]creased promotions an[d] advertising (which for som[e] companies now runs as high a[s] 1.5 per cent. of sales) the tren[d] towards longer opening hou[rs] (about half the supermarke[ts] are now open on Sundays) an[d] in some cities the resurgence [of] "warehouse" stores, which c[ut] choice, trimmings and prices t[o] the bone.

Questioned at the beginnin[g] of this year, two-thirds of supe[r]market executives forecast eve[n] deeper price cuts in 1976 an[d] more than half expected add[i]tional discounting across th[e] board during the year. Th[e] signs are that they were righ[t]. The big question now is ho[w] long cost increases will continu[e] to outstrip price increases o[n] the items sold by supermarket[s]. Recent figures for wholesal[e] food prices suggest food infla[tion] is again increasing i[n] America, but even so, it seem[s] likely that costs will go u[p] faster than prices for the yea[r] as a whole.

HOME NEWS

Piper Field oil is expected on stream within days

BY RAY DAFTER, ENERGY CORRESPONDENT

THE OCCIDENTAL group's Piper Field is expected to start producing commercial quantities of oil within the next few days, becoming the seventh U.K. oil-field to be brought on stream.

Contractors are linking the Piper "A" production platform to the pipeline which will carry the crude oil to Flotta Terminal in the Orkney Islands.

The work was interrupted this week when 300 employees of Costain John Brown went on strike over back-payments and higher wages. The men, who said they had been promised substantial rises for operating in trying conditions, resumed work yesterday.

It is unlikely, therefore, that Occidental group will announce the start of production before this week-end.

According to industry estimates, the field, with associated pipeline and terminal facilities, is costing $700m. (almost £425m.) to develop.

Funding

Its 800m. barrels of recoverable reserves are expected to be produced at a maximum rate of 240,000 barrels a day. Output this year is not expected to rise above 10,000 barrels a day.

Piper Field has featured in a novel North Sea funding arrangement. When the Occidental group found the nearby Claymore Field, there was doubt whether the 410m. barrels of estimated recoverable reserves could be exploited profitably.

However, by linking Claymore to the Piper pipeline and terminal, and by raising capital by using Piper production as a form of collateral, the Claymore project was given the go-ahead. This field is due on stream next spring or summer.

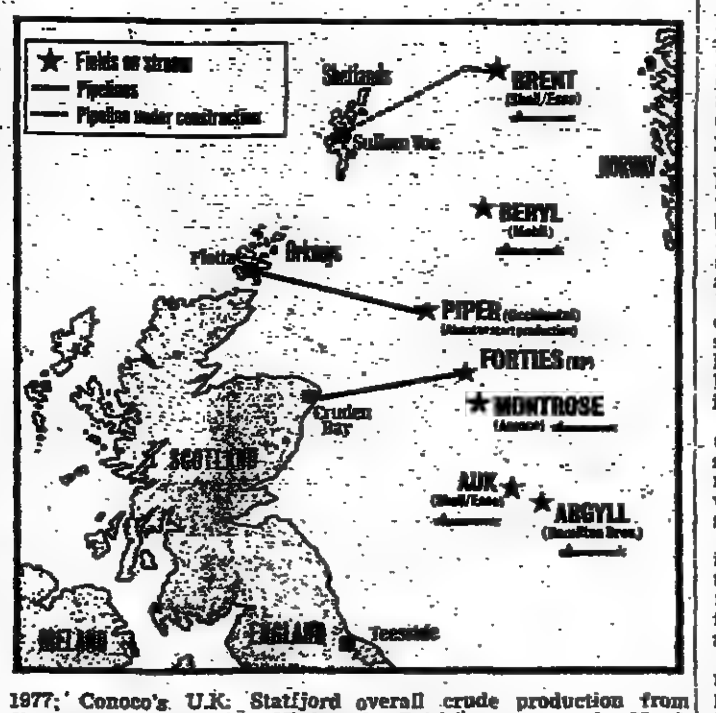
Output from Piper should mean that 13m. tonnes of oil will be produced from the U.S. sector of the North Sea this year.

This figure will fall short of the forecast 15m. to 20m. tonnes output, contained in the Department of Energy's "Brown Book" of offshore statistics, largely due to development delays to Mobil's Beryl Field and Shell/Esso's Brent find.

It is thought in the industry that the Piper development may have set a record. The field was discovered in 1973 and in the intervening three years Occidental group has gained approval for and built the Flotta terminal, pipeline and platform.

The Piper start-up will leave seven more commercial fields to be brought on stream. They are: Claymore, Shell/Esso's Dunlin Field, one British National Oil Corporation's Thistle Field in 1977; Conoco's U.K. Statfjord discovery, Chevron's Ninian Field, Unocal's Heather Field in 1978; and Shell/Esso's Cormorant Field in late 1978 or 1979.

Latest estimates indicate that overall crude production from the British sector of the North Sea next year will be between 700,000 and 900,000 barrels a day, equivalent to between one-third and one half of the nation's oil requirements.



Forties gas next year

By Ray Perman, Scottish Correspondent

BP EXPECTS to produce gas from the Forties Field by February or March, Mr. Matt Linning, general manager for exploration and production of the company's petroleum development division, said yesterday in Aberdeen.

Forties is producing 380,000 barrels of crude oil a day and will build to its peak of 500,000 by the middle of next year. BP is building a collection system to tap and process the associated natural gas.

Mr. Linning said that the company expected to commission the first of four gas liquids recovery plants by February. The last would be in operation by the autumn.

Gas would be separated on the production platforms and some would be drawn off for running the turbines that provided electrical power for offshore operations.

The rest would be dissolved in crude oil and pumped down the pipeline from the landfall near Aberdeen to the BP refinery and chemical complex at Grangemouth.

For this reason, BP would not be interested in the proposed gas collection line for the Forties Field.

A Government statement on the line is expected shortly. The line will cost an estimated £1.6bn. and take associated gas from a number of oilfields.

Mr. Peter Wormsley, explorations manager, said that the Andrew Field might be too small to be viable, even if there was a price increase of 10 to 15 per cent. from the OPEC nations next month.

It might have to be put together with other small fields in the area to make it a commercial package.

Referring to the fifth round of licensing, Mr. Wormsley said that seismic surveys would be carried out for most of next year, and drilling was unlikely to start before 1978.

Northern area fears regional aid shift

BY JAMES McDONALD

ANY BIG SHIFT in Government regional development policy away from general development grants for the Assisted Areas and towards more selective assistance on an industry by industry basis "will inevitably favour other parts of the country at the expense of the Northern region," the North of England Development Council claims in its latest quarterly economic review.*

The review cites the reduction announced in July in the amount of Regional Employment Premium paid to the companies in the Assisted Areas and recalls the speech this month by Mr. Eric Varley, Secretary for Industry, in which he said that emphasis was being placed on aid based on an industry by industry basis.

"The implications of this for the Northern region were underlined when Mr. Varley said he could see little advantage for Coventry in getting special assistance status," says the review.

Since the Industry Act, 1972, the Northern region had fared relatively well in the receipt of regional development aids, which are automatic, but less well from selective assistance.

"If selective sectoral schemes are to replace the current broad aids to regional development under which most payments are currently made, then the take-up will be largely governed by where the relevant industries are located.

Redundancies

"Unless those industries are to be found in equal proportions in the Northern region to those in other parts of the country, then it seems inevitable that such schemes will favour other parts of the country at the expense of the Northern region."

One of the first sectoral schemes announced was the ferrous foundry industry aid scheme, for which initial payments were made to companies during the June-August quarter. Details of payments over £5,000 reveal that seven companies in the Midlands received assistance, four in Yorkshire and Humberside, one in the North-West of England and two in Scotland.

"There were no payments to foundries in the North of England, although some payments are expected to be made in the near future."

Since publication of the council's "statement of claim" in September—which estimated that the region would see between 66,000 and 93,000 redundancies over the next three years—"there have been a number of indications that NEDC was not being unduly pessimistic."

Shipbuilders' and Repairers' National Association report in October had said that total orders for British yards had less than one-third of the intake needed to keep them in full work. Half of Britain's shipbuilding and repair workforce was employed in the Northern region.

Steel plant

The report of the Government's Central Policy Review Staff (the "think tank") on power engineering was also mentioned with the conclusion that large scale redundancies seemed inevitable, particularly in the North-East.

Delays in the British Steel Corporation's ordering programme had resulted in the steel plant manufacturing industry—heavily represented in the Northern region—working at only 70 to 75 per cent. of its capacity and facing a possible 25 to 50 per cent. drop in its workload.

The review gives a warning that the present trend in employment nationally could lead to a return of the situation where unemployment in the Northern region was double that in the South of England.

Economic Review, August-October, North of England Development Council, Bank House, Carliol Square, Newcastle-upon-Tyne, NE1 6XE.

Airports Authority to have new chief

By Michael Donne, Aerospace Correspondent

Mr. Nigel Foulkes, aged 57, part-time chairman of the British Airports Authority, is expected to become chairman of the Civil Aviation Authority when Lord Boyd-Carpenter, 68, its present head, retires on March 31.

A statement on the changes at the top of the two State bodies is expected soon from Mr. Edmund Dell, Secretary for Trade. It is likely that Mr. Foulkes' place as chairman of the BAA will be taken by Mr. Norman Payne, chief executive of the Airports Authority.

There is no substance to suggestions that the Department of Trade is considering amalgamating the authorities. The two bodies do totally different jobs and it is thought that there would be no economic, technical, social, financial or other benefits from amalgamation.

Lord Boyd-Carpenter was appointed the first chairman of the CAA on its formation in 1972. He was a Conservative MP for many years and a Cabinet Minister, whose posts included Minister of Transport and Civil Aviation in 1954-55 and Chief Secretary to the Treasury in 1962-64. His CAA salary is £19,295.

To-day, the CAA is responsible for routes, air fares, airworthiness, safety, pilot licensing and many other functions in civil aviation.

It is faced with a severe financial problem in that the Government has insisted that it should pay its way from 1977-78, obliging it to raise many of its charges substantially, incurring hostility from the civil aviation community.

It will be the task of Mr. Foulkes to solve these problems. As part-time chairman of the Airports Authority since 1972, he has sustained the authority's profitability. In 1975-76 it produced a pre-tax profit of £13.3m.

Fare cuts for Sealink trips to Ireland

By Ian Hargreaves, Industrial Staff

BRITISH RAIL is allowing its Sealink division to step out of tank by introducing a wide range of fare cuts on its service to Ireland next year. The service is expected to make a small loss this year.

In one sense the new fares can be regarded as an extension of the concessionary schemes for special group rail passengers in recent months.

They are wider ranging than the Inter-City concessions, and a conscious attempt by the division to step outside the inflationary spiral of higher fares and fewer passengers.

British Rail believes that last year its Irish services started to price themselves out of the market.

Mr. Derek Roberts, chief traffic manager for Irish services, said that a 10 per cent. rise in passenger loading would be necessary for the service to break even next year. He hoped for a 50 per cent. increase "in time."

This was feasible if traffic were attracted from airlines and new markets opened.

Wide range

The family motorist is wooed especially hard with £1 tickets for children on most boats and reduced rates for caravans, motor caravans and in some cases cars.

The basic cheap ticket is two-way for the price of one, though not available at peak week-ends. British Railways said that where peak fares are increased they are kept below the forecast level of general inflation.

There is a wide range of other cheap tickets, including one for the motoring businessman, who can take his car to Ireland for between £42 and £68 return.

British Rail is bringing into service a new £20m. Danish-built ship, the St. Columba, twice as large as any existing Irish ferry. A new rail-sea terminal has been built at Holyhead.

Lewis's opens first 'solo venture' hypermarket

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

THE SEARS Holdings department store subsidiary, Lewis's, yesterday opened its first solo venture in hypermarket trading.

The opening came after the ending last year of the joint partnership formed between Lewis's and the Fitch Lovell subsidiary, Key Markets, to develop hypermarkets.

The new store, which will trade under the name Lewis's Saverstore, is at Ellesmere Port, Cheshire, and has a trading area of 69,000 square feet on one floor.

About half the sales area has been given over to foods, and the rest to the kind of merchandise normally sold in Lewis's department stores.

The store, which has cost about £2.25m. to develop, is unusual for a hypermarket in that it is in a town centre, on the edge of the shopping development at Ellesmere Port.

Like an out-of-town hypermarket, however, the Saverstore has all its departments on one level and is designed for self-service shopping with 20 check-out points by the door.

Like a hypermarket, too, it is designed for the shopper using a car and has 3,000 free car parking spaces.

It is hoped that the shop will draw customers from a wide area. Some are likely to come from Liverpool, where Lewis's already has a department store.

The prices on some of the non-food lines common to both Lewis's and Saverstore will be up to 10 per cent. cheaper at the new store.

But the Saverstor management says that it is part of Lewis's policy to develop hypermarkets and department stores independently, even though, in the case at Ellesmere Port, the department store may lose business to the Saverstore.

Three years ago, Lewis's decided that it should be in hypermarket trading because it believed that the retail trade would polarise between traditional town-centre department stores and hypermarkets, usually situated outside the town-centre.

It formed a joint partnership with Key Markets to develop these large stores, with Key Markets handling the food side and Lewis's the non-food merchandise.

Public's part in planning vital, says Scottish report

BY JAMES MacDONALD

IT IS A WASTE of time encouraging general participation in planning if the public's views are not adequately incorporated into the decision-making process, the Scottish Planning Exchange says in a report published to-day.

The report studies public participation in planning in Scotland at all levels, from local plan to regional study.

It is required by law that local councils take steps to involve the public in plan-making. The report cites cases where councils have spent much expertise and time on preparing a plan, only to present it to the public as a "fait accompli."

Comments and objections then received are difficult to incorporate and delays are often caused.

The study team, headed by Mr. Tony Burton, director of the Planning Exchange, and Ms. Robina Johnson, authors of the report, found that it was more effective and acceptable if at a very early stage in the planning process councils discussed their initial ideas with representatives of community groups and other interested parties.

Public Participation in Planning: A Review of Experience in Scotland. The Planning Exchange, Glasgow; £1.50

Warning on newspaper skills

A NATIONAL newspaper executive yesterday urged the industry's management and unions not to get "too hooked" on who should operate the keyboards of advanced new equipment.

The question is the subject of inter-union rivalry and an obstacle to the successful introduction of cost-saving technology in Fleet Street.

Mr. Rex Winsbury Financial Times head of origination services, told the biennial technical conference in Brighton of the Newspaper Society, which represents provincial Press publishers, that he was talking particularly about the compositors' union, the National Graphical Association.

The real issue for the NGA was not who did the keyboarding. The real skill of the compositor in the future would lie rather at the other end of the system, including page assembly.

"This industry will use technology to destroy the craft of its compositors at its peril."

He also said that journalists should become far more involved in the technological side of newspaper production.

Mr. David Chipp, editor-in-chief of The Press Association, said that many editors suspected that modern developments meant a slower, poorer service and earlier deadlines.

"This is defeatism which I would not accept at PA. If we are going to go forward and use new methods for the processing of raw copy then it will be only because we believe it is going to improve significantly our product both in timing and content."

PA's great weakness, compared with some Press agencies round the world, was the time it took to handle material in the office.

He was interested in anything likely to get news more quickly from the journalist's notebook to the printed page.

Mr. John Forrest, technical services manager of Westminster Press, said that newspapers must get into the field of visual information systems or face severe consequences.

Involvement by newspapers in this fresh challenge to their own traditional role would probably become commercially essential within the next two decades.

"It is your duty to lobby every politician, anyone who can exert any influence, and say that the Press must have equal rights of entry to these systems as other media."

Envoys named

TWO NEW British ambassadors were named yesterday. They are Mr. John Mason, aged 49, who becomes envoy to Israel, and Mr. William Harding, also aged 49, who goes to Peru.

Mr. Mason succeeds Mr. Anthony Elliott, who was drowned in a bathing accident.

PARLIAMENT

We will see it through —Callaghan

BY JOHN HUNT

A PLEDGE that the Government intends to "see it through" so long as it has a majority in the House of Commons was given by the Prime Minister in a speech which concentrated heavily on Britain's economic problems.

Mr. Callaghan undertook that in tackling these difficulties, there would be no short-term gimmicks. He promised that the Government would remain steadfast in its determination to bring about the economic and political changes necessary for recovery.

Although the devolution proposals form a major part of the legislative programme in the present session, Mr. Callaghan devoted only a comparatively short passage to the subject.

He said the Government wanted the devolution Bill to get a second reading before Christmas and indicated his determination to get it on to the Statute Book this session.

"We believe the people of Scotland and Wales are entitled to a decision on these matters by Parliament during this session. In the Government's view, it should not be deferred beyond *this session,*" *he declared.*

Taking a sober look at the world economic situation, he said there was no doubt that the climate had changed in the last few months since the summer. Until then, there had been general concern that world recovery might be too fast and inflation too high.

Estimate

"The reality now is that world economic growth has slackened since the first quarter of the year and in most countries, including our own, inflation remains too high.

"It is still an open question as to the continued strength of the upturn in world trade. The prospects depend almost *exclusively on the U.S., Germany* and Japan. Our estimate is that on present policies, there is more prospect of the downside risk in world trade than for too fast expansion.

"*The prospect, in that case,* is that unemployment will continue to rise in this country and for many other countries. This is a matter for serious concern."

Despite jeers from the Tories, he claimed that the Government had many economic achievements to its credit. Industrial relations had improved and the Government had broken the wage-prices spiral which, 18 months' ago, threatened to destroy the country.

But he added: "Although inflation has been substantially reduced, it is still far too high *and on present prospects, I don't* see the rate of inflation declining during the next few months."

The Government therefore had to ask the country to adhere to *existing policies and these in*cluded the need for further voluntary agreement on income levels for 1977-78.

There was more scoffing from the Opposition when he declared categorically: "We have now brought public expenditure under control. Cash limits have been applied in as rigorous a way as ever before — and *more* vigorously than by previous Governments."

Despite the financial difficulties faced by local authorities, he asked them to maintain their *services, particularly to the poor* and the handicapped. "Local government exists in order to provide services to the people, not to create jobs that would not otherwise be necessary," he declared.

Turning to the industrial front, he told the House: "It is still expected that industrial investment will increase sharply but gross national product is going to grow too slowly during the next 12 months."

It was essential that industry should have opportunities to growth. "And, yes, the opportunity to make more profit."

*The country had to face prob*lems of internal and external financing. On internal financing, the needs of industry and of Govednment must be reconciled. "Together, they must be matched against the flow of available savings."

Externally, the Prime Minister added, the problem was to bridge *the period of debt* until improved competitiveness in the *production of goods and services,* plus the flow of North Sea oil, eliminated the current deficit.

"The problem of the future of sterling balances needs discussion at an inter-Government *level. I intend to pursue this.* It is already being followed up."

There were two ways out of our economic troubles either by borrowing or by accepting a temporary *fall in our living stan*dards. The present Government had done both and most of the solutions now being proposed boiled down to various mixtures of these two.

The first consideration must be not to block the longer term industrial improvement which the country needed. Our medium-term aim must be faster growth on a healthy basis, fed, not by inflation, but by a sustained improvement in productivity and exports.

Carrington insists on better flow of Bills

By Justin Long, Parliamentary Correspondent

MINISTERS WERE warned last night that the Lords will tackle the new session's legislation undeterred by recent threats that further defiance of the Government could lead to abolition of the Upper House.

Lord Carrington, Leader of the Opposition peers, criticised the Government for using Parliament as a factory for turning out imperfect legisaltion.

When the Lords debated the Queen's Speech, he urged Lord Peart, Leader of the House, to *ensure that the flow of legisla*tion in the coming year was better ordered than last year. Peers should not have to take blame, as they did in the last session, for failing to do in two weeks what had taken the Commons nine months.

"We all rely on Lord Peart to see that such congestion does not re-occur. But if *he fails,* we shall rely on ourselves—and that is a promise."

Lord Carrington added: "The Lords will go on, though threatened with extinction, reviled by Mr. Foot, abused by Mr. Wedgwood Benn, abhorred by the Scottish National Party, prodded by Lord Shinwell—but ably led by Lord Peart."

The Opposition leader hoped that the proposals for devolution and direct elections would not overshadow the problem of national survival facing the country—a problem that called for unpleasant decisions.

Lord Byers, leader of the Liberal peers, said he despaired of modern government. Parliament should not inflict on the nation more laws than it could properly digest.

Administrators, local government, the professions and businessmen, were all finding more and more of their time consumed in "keeping up with this legislative sausage machine."

Lord Byers believed the same mistake would be made in this session, and he argued that there was a strong case for cutting out some of the legislation mentioned in the Queen's Speech.

The most important need was to get inflation down, reduce unemployment, and increase pro*ductivity. To achieve that would* not require a good deal of legislation.

From the Government front bench, Lord Peart suggested that the Lords could look forward to a "more tranquil time."

He forecast that during the coming session, there would be a smaller legislative programme than usual and he anticipated a quiet and considered debate which, he said, marked the best *of the Lords deliberations.*

But Lord Peart added that he was also looking forward to a busy session, although peers would want their business to be "more moderate" than it had been lately.

A rare view of the interior of the Commons as Ministers await the summons from the Lords to hear the Queen's Speech.

Tory leader hits at Healey policy

THE CHANCELLOR would have to change his financial policies to secure the IMF loan, Mrs. Margaret Thatcher, Leader of the Opposition, declared.

Commenting on the Government's programme for the new session, Mrs. Thatcher said: "The Chancellor is learning the old lesson that 'he who goes a-borrowing will soon go a-sorrowing'."

She added: "At the moment, Britain has lost credibility and the sooner we regain it by sound financial policies the better.

"Our purpose in opposition will be to further those policies which lead to confidence in our economic and industrial future." Tories would further policies to revitalise "wealth-creating" sections of the mixed economy and to ensure that "the individual counts in society."

Mrs. Thatcher said it would not be legislation which dominated the lives of people this year but how successfully we coped with our deficit, public expenditure, and taxation.

Mr. Healey had said he would *negotiate with the IMF on the* basis of the Government's existing policies. But he had had to change his financial policies before. "It looks as if he will have to change them again, to secure that loan."

Mr. Healey had said that the British people would prefer to maintain the highest possible standard of living, even if this meant more borrowing, rather *than incur the sudden and* dramatic fall in standards which would result from a failure to arrange the loan. "That will not do if this country is ever to be successful in the world again," *she said.*

Mrs. Thatcher warned that far too many people were seeking loans from the IMF. And even the IMF did not have unlimited resources. "The Chancellor has continued to talk big, but his actions have made Britain look very, very small."

No promise of novelty

BY PHILIP RAWSTORNE

PARLIAMENT'S new session opened yesterday without much promise of any novelty.

The Labour Government would go on, Mr. James Callaghan assured the Commons—and, for some time at least, he added, so would rising unemployment, inflation, pay restraint and declining living standards.

The sense of continuity was heightened by the return of the Bill to nationalise the aircraft and shipbuilding industries: the sense of the long haul ahead was heightened by the prospect of months of debate on devolution.

As Mr. Joheph Mallalieu said, in a speech of thanks for the Queen's Speech, there was *nothing to stir up any great* exuberance. Except, perhaps, for next's summer's celebrations of the Queen's own jubilee—and Mr. Denis Healey will have opened at least two Budgets by then.

But Mr. Callaghan declared: "The Government intends to see it through." He demonstrated his confidence by announcing some legislative plans for the following session as well.

For Mrs. Margaret Thatcher, too, who had lightly but pointedly opened the debate by *reminding MPs that* it was almost 12 years ago to the day since Mr. Callaghan had announced he was seeking his first loan from the IMF to save sterling.

It would not be the Government's legislation that dominated the lives of the people this year, but its ability to manage the economy, the Tory leader said.

● BENEFITS

Pensions problem likely to be tackled by clawback

BY ERIC SHORT

THE PROBLEM of unemployment benefit payments to pensioners who retire before the *age of 65 on* full occupational pension is likely to be tackled by means of a clawback of unemployment benefit on a £1-for-£1 basis when the pension being paid exceeds £25 a week.

No details are given in the Queen's Speech but this seems to be the way the Government is thinking. *It would mean* that someone receiving a weekly pension of £30, for example, would have £5 of his unemployment pension clawed back.

The Government's promise to grasp again the nettle of payment of unemployment benefit to pensioners who retire before they are 65 reflects the present concern over the payment of relatively high tax-free benefit.

The problem is that a man who retires before 65 cannot have his State pension until that age, and he may need to maintain his contributions to the State scheme to have the *contribution record necessary* to qualify for full pension. There are two solutions to this *dilemma:*

The first is to continue paying contributions as a non-employed person (Class 3) until the contribution record has been fulfilled. The present rate is £2.10 per week.

The alternative, and much more attractive, financially, is to register as unemployed and become eligible for unemployment benefit. Not only will the person be credited with National Insurance contributions, but he will receive a tax free weekly payment of £12.90 plus £8 for his wife.

Of course, he has to be prepared to accept any suitable job offered him in order to qualify for the benefit but very few jobs are available for the age group 60-65.

The Department of Healt and Social Security estimat that between 50,000 and 60,0 persons are receiving unemplo ment benefit while being pai *an occupational pension.*

This latest proposal is abo the third or fourth time th Government has attempted solve this problem and on pr vious occasions, the combin opposition from trade union employers and the pensior industry has resulted in th Government backing down. Th previous attempt was made b the last Conservative Gover ment.

The opposition this time is sti as united. Statements from th TUC, the CBI, the Technical an Supervisory Section of the Ama gamated Union of Engineeri Workers and the National Ass ciation of Pension Funds hav all expressed opposition to th proposal.

● JOB RELEASE

Allowance will clear the way

By Alan Pike, Labour Staff

THE JOB release scheme, which comes into force at the beginning of next year, offers full-time workers within one year of re*tirement an allowance if they* leave paid employment and clear the way for someone from the unemployment register to take a job.

Job release applies only to the assisted areas. Employers who take part in the scheme—one of a series of special meaures to reduce unemployment—must agree to recruit replacement labour from among unemployed workers, although not necessarily for the identical job of an employee who leaves.

The scheme is at present designed as a temporary measure to run for six months from January. Released workers must be within one year of statutory pensionable age—65 for men and 60 for women—on or before June 30, 1977.

They will receive a tax-free allowance of £23 a week until reaching the normal pensionable age, but must not engage in paid employment or private business while receiving the payment

Workers receiving the allowance must also not apply for unemployment or sickness benefits. But they may still claim supplementary benefits if necessary.

Applicants who decide that they want to return to paid em*ployment may withdraw from* the scheme by giving two weeks' notice, *and must do so if they* wish to apply for social security alowances other than supplementary benefits.

Pensions of workers taking part in the scheme will not normally be affected if they apply for job release, but they will not be entitled to redundancy payments.

● DIRECT LABOUR

Move to help councils take on new work

BY MAX WILKINSON, INDUSTRIAL STAFF

EXTENSION OF the scope of local authority direct labour organisations was promised in Labour's Manifesto and spelled out in detail by the Government in August.

At present direct labour organisations can take on new construction work only within their authorities' boundary.

Under the Government's plan, district councils will be able to take on new building in adjacent council districts, and county councils will be able to do work within their own boundary for another county council.

The Government says the extension of powers is needed to allow councils to undertake work in new towns or registered housing association areas which may be sponsored by a different authority.

In addition, direct labo departments will be able undertake maintenance and i provement work in the priv sector in housing associati areas, general improveme areas, and houses forme owned by the authority.

Direct labour organisatio will not be allowed to comp for new building contracts in private sector without a spe decision by the Minister.

The proposed Bill is, howev expected to give Ministers n enabling powers to allow dir labour departments to tender limited areas of the private tor under conditions analag to those laid down by the Lo Authorities Goods and Servi Act, 1970. Each proposal have to be laid before Par ment.

● INDUSTRIAL DEMOCRACY

Bill to provide worker sharing on Boards

THE ONLY major company law reform specifically planned for the coming session will be a Bill mainly based on the report of the Committee of Inquiry on industrial democracy in the private sector being conducted under the chairmanship of Lord Bullock.

The Bill will provide for trade union members to elect Board representatives in the country's 600 major companies and in nationalised industries. It will also cover the issue of spreading industrial democracy in other parts of the public sector.

In the private sector, it will introduce detailed company law changes to alter the constitut and structure of the Boards companies, and will increase t statutory responsibility directors have to look after interests of employees.

Although there was no re ence to other company matters in the Queen's spe this does not necessarily m that there will not be any o company legislation prepa during the session.

The most likely area further developments conc insider dealing and loans company directors. The Pr Minister has promised leg *tion on these matters,* but timetable has yet been set.

● WATER

Proposal will involve big changes

By Donald Maclean

THE PROPOSAL for a stronger national organisation for the water industry and for the introduction of greater equality in unmeasured water supplies (which will largely affect the domestic consumer) will involve major changes in a system set up as recently as 1974.

The Conservative Government reorganised the water industry in England and Wales through legislation in 1973, under which ten autonomous regional authorities, etch charged with running its services on a break-even basis, were set up.

The National Water Council then became the central co-ordinating body. But a consultative document on the industry published last March urged that a National Water Authority should be set up through a strengthening of the council.

● BUSINESS

CBI unhappy with plan

BY ADRIAN HAMILTON

THERE WAS a mixed reaction from the Confederation of British Industry. Of most importance to business would seem to be the omissions, and, in particular, the apparent dropping of the wealth tax proposals and Labour Party suggestions, that unions be given a 'say' in the investment policies of pension funds.

On the other hand, the CBI remains unhappy with the promise of legislation to put worker directors on company boards, the continued Government emphasis on planning agreements as part of the industrial strategy, and the manner in which devolution is being pursued.

Commenting on the Queen's Speech, Lord Watkinson, the CBI's president, declared: "The CBI fully supports the Gove ment's industrial strategy ai at bringing down the level inflation and reducing unem ment." But the CBI did not either planning agreements the National Enterprise Board having a central role in this.

Lord Watkinson was glad t the Government intended to h further consultations industrial democracy after Bullock Committee reported. he repeated the CBI's "str opposition" to any legislat which could lead to the imp tion of trade union-nomina directors on the Boards of ma companies

"The effect of such legislat would be totally disruptive, a time when all our energies sho be devoted to getting Britain the road to recovery," he sa

QUEEN'S SPEECH: FULL TEXT

Government pledged to attack on inflation

My Lords and Members of the House of Commons:

My husband and I look forward to the events being prepared to mark the 25th anniversary of my accession to the Throne. We welcome the opportunities which these will offer for meeting people in many parts of the United Kingdom and for the Commonwealth during the tours which we shall undertake.

My Government will maintain *their firm support for the* United Nations and the principles of its Charter, and for the North Atlantic alliance as the guarantee of the collective security of its members and of stability between East and West. They have invited the North Atlantic Council to hold its spring Ministerial meeting in London.

My Government look forward to a renewal of fruitful exchanges *on world problems at the meet*ing of Commonwealth Heads of Government in London.

My Government will continue to take part in international efforts to promote a more stable world economic order, and a fairer distribution, within an expanding world economy, of the world's wealth between rich and poor nations. Overseas aid will continue to give increasing emphasis to the needs of the poorest developing countries.

My Government will continue to play a full part in the activities and developments of the European Communities, and look forward to holding the presidency of the Council of Ministers in the first six months of 1977.

My Government will introduce legislation to provide for the election of U.K. members of the European Assembly. My Government will continue to contribute modern and effective forces to the North Atlantic Treaty Organisation.

My Ministers will continue to attach great importance to the further improvement of relations between East and West and to the full implementation of the Final Act of the Conference on Security and Co-operation in Europe

They will work closely with their allies in seeking progress in the negotiations to reduce forces in central Europe, and towards general disarmament and the prevention of the spread of nuclear weapons.

My Government will also continue to work for a just and lasting peace in the Middle East and for further improvement in the relations between the U.K. and all the countries of the region. They will maintain their efforts to secure a political settlement in Cyprus.

My Government will continue to work for a negotiated settle*ment* in Rhodesia which will provide a secure future on the basis of majority rule for people of all races in the territory.

My Government will continue to strive for a just solution to the problems of Northern Ireland and for the improvement of economic and social conditions. They are determined to combat terrorism and to maintain the rule of law. *Legislative provision will* be made to introduce an independent element into consideration of complaints against the police on lines already adopted in England *and Wales.*

My Government attach particular importance to the further development of co-operation on security with the Government of the Republic of Ireland.

Members of the House of Commons: Estimates for the public service will be laid before you.

My Lords and Members of the House of Commons:

My Government are pledged and determined to continue the attack on inflation, working to this end in close conjunction with the TUC and the CBI. Success in this joint effort is essential for creating more jobs and for achieving the aim, to which my Government remain firmly committed, of a lasting reduction in the present level of unemployment.

My Ministers are convinced that the key to a better economic future for the British people lies in improved levels of industrial output and productivity, a higher level of industrial investment, and being more competitive, thus securing a greater share of world markets.

They will pursue these objectives through continued development of the industrial strategy in co-operation with both sides of industry.

This will give the highest priority to the physical and financial needs of manufacturing industry on which our standards of living depend. The National Enterprise Board, the Scottish, Welsh, and Northern Ireland Development Agencies, and the planning agreements system provide essential instruments for this *industrial regeneratiton.*

The achievement of our national objectives will be possible only if the inter-related problems of inflation, unemployment and industrial performance are tackled successfully.

My Government will continue to co-operate with other countries in their efforts to maintain an orderly and sustained growth in world economic activity. They intend to ratify the second Amendment to the Articles of Agreement of the International Monetary Fund and the Sixth General Review of Quotas.

My Government will re-introduce the Bill *to bring into public* ownership the aircraft and guided weapons, shipbuilding, ship-repairing, and marine engine building industries.

Further opportunities for the exploration and development of the nation's valuable petroleum resources will arise from the grant of further licences following the very satisfactory response to the recent round of offshore licensing.

Legislation will be introduced to provide for the addition to the employers' National Insurance contribution and to give effect to other measures which were announced in July.

My Government will continue to encourage the expansion of home food production in the interests of consumers, processors and producers, and will seek further improvements in the operation of the Common Agricultural Policy.

Legislation will be laid before you for the purpose of enabling the United Kingdom to extend fishing limits to 200 miles at the beginning of 1977. My Government are seeking adaptation of the Common Fisheries Policy to new circumstances. They will aim to secure conditions in which the British fishing industry can plan ahead and make its proper contribution to the food supplies and economy of the nation.

My Government attach great importance to strengthening the democratic processes of our society. A Bill will be introduced for the establishment of Assemblies to give the Scottish and Welsh people *direct and wide-ranging* responsibilities for their domestic affairs within the economic and political framework of the U.K.

Legislative proposals for the extension of industrial democracy in the private and *public sectors of the economy* will be brought forward as soon as possible after the Committee on Industrial Democracy has reported and the necessary consultations have taken place.

Legislation will be introduced to give effect to the job release scheme, and my Government will not hesitate to add *as necessary to this and other* manpower measures already introduced for the reduction of unemployment. They will continue to promote the development of industrial training.

My Government will pay special attention to the maintenance and improvement of performance in education, and will seek to ensure that the resources available are deployed in the best interest both of extending educational opportunity and of satisfying the productive needs of the nation.

My Ministers will also pay special attention to housing and the needs of inner city areas. Proposals arising from my Government's review of housing policy will be brought before you.

It will remain my Government's aim to promote good working relationships within the National Health Service and to make the best use of the resources available to the service for the benefit of patients and with due concern for the aspirations of those who work in it.

There will be an annual increase in pensions and other social security benefits in order to protect the living standards of the most vulnerable members of the community. My Government will continue to attach high priority to safeguarding the interests of consumers.

A Bill will be introduced to restrict the payment of unemployment benefit for certain occupational pensioners, to determine the level of earnings at which retirement pension is affected and to adjust the National Insurance scheme *in certain other respects.*

My Government, following their widespread consultations on transport, will bring before you proposals for developing a *transport policy* best suited to economic and social needs. Legislation will be introduced to remove *unnecessary* restrictions on the powers of the local authorities to undertake construction work by direct labour.

Legislation will be introduced to provide for greater equality in average charges for unmeasured water supply between different water authorities in England and Wales. Proposals will be brought before you for strengthening the national organisation of the water industry.

A Bill will be introduced to amend the criminal law, particularly in relation to conspiracy, and to improve its administration.

A Bill will be introduced to provide a comprehensive reform of patent law and enable ratification of international agreements, including the European Patent Convention. My Government will continue their programme of law reform as opportunity permits.

Measures will be introduced relating to Scotland, including housing subsidies, reform of the law on marriage, and the introduction of an independent element in the procedure for handling complaints against the police.

In all their policies for social reform, it will remain my Government's aim to promote justice and equality for all the people of the U.K. Other measures will be laid before you.

My Lords and Members of the House of Commons: I pray that the blessing of Almighty God may rest upon your counsels.

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LABOUR NEWS

Deflation talks sought by TUC

BY ALAN PIKE, LABOUR STAFF

TUC leaders are to seek another meeting with the Prime Minister at which they will emphasise their mounting concern about the general economic situation and the "serious consequences" of deflation.

Mr. Len Murray, general secretary, gave a warning yesterday that further deflation could have an undesirable effect on the social contract relationship between the Government and TUC.

The primary purpose of the meeting will be to protest at the Government's decision, because of the cost involved, to postpone the appointment of safety representatives and committees in industry under the Health and Safety at Work Act.

But Mr. Murray said yesterday after a meeting of the general council that the TUC would use the occasion as an opportunity to express to the Prime Minister the TUC's views on the general economic situation.

This will reflect the TUC's concern about deflation and—although safety representatives are a particularly close-at-home issue—the effects of public spending cuts in general.

Mr. Murray said that further action to deflate the economy would not only be economically undesirable but could have a damaging effect on the social contract between the Government and TUC.

Implying that he had spoken in similar terms when he recently met International Monetary Fund representatives, Mr. Murray said that anyone who thought deeper recession was the answer for Britain was overlooking the consequences of such a course for other industrialised countries and the central importance of the relationship between the TUC and Government which so far had brought Britain through its economic difficulties.

On his meeting with the IMF representatives, arranged at the invitation of the Chancellor, Mr. Murray would say only that he had expressed TUC policy. The IMF had been given details of the objectives whic hthe TUC had in mind, particularly on the wages front.

It was fully appreciated by the TUC that the nation's economic problems would not be solved without difficult decisions. But difficult decisions were one thing and wrong decisions another. All the TUC was saying was that the manifest economic advantages were for maintaining a growth path and there was a feeling that the Cabinet did not fully understand the importance of this.

To some extent the Government was being "unduly influenced by what some other people were saying and there was a fear of plunging the country into further recession." It was a question of getting the balance right.

Move to end Leyland 'training' strike

By Arthur Smith, Midlands Correspondent

A FRESH union initiative is expected to-day to end the strike at Leyland's Courthouse Green engine plant, oventry.

Some 143 toolmakers walked out last week in support of a workmate accused of refusing to assist with training. The number made idle at the plant by the dispute climbed to 800 yesterday.

The impact of an unofficial strike by 120 maintenance engineers at the Rubery Owen component plant at Darlaston continued to widen. Leyland laid off 100 more workers at Solihull, where production of the Range Rover was halted and some 400 were already not working.

Component shortages led to lay-offs of more than a third of the 450 workers at Leyland's axle factory at Perry Barr, Birmingham.

Production was returning to normal at Ford Motors Halewood plant, Merseyside, after three weeks' industrial disputes and lost output.

Suspension of five welders was lifted yesterday after the men signed statements that they would work normally in line with company requirements.

The four-day strike of 400 body builders at Chrysler's Linwood factory in Scotland is expected to end this morning. It caused loss of 750 cars worth about £1.5m.

The strikers will meet to hear a recommendation from shop stewards to return immediately. Under an agreement with the company after 17 housr of talks on Tuesday the work-study engineers whose introduction caused the strike will be withdrawn from the shop floor.

Coal face crisis

MINERS and the National Coal Board agree that men who have devoted the greater part of their working lives to a particularly arduous job should be able to retire before the State pensionable age of 65.

Both agree—although their statistics differ somewhat—that Britain's 240,000 mineworkers have one of the least favourable schemes in the industrialised world.

What is more, many of the leaders of the National Union of Mineworkers—and certainly a majority of those who have been studying the problem with the Coal Board for many months—accept that the consequences of their conference demand for retirement on full pay at 60 from January 1, and at 55 by June, 1980, could be disastrous for the industry. Many of them, too, are far from eager to see this issue grow into a fight against the present incomes policy, let alone a national strike of the kind which toppled Mr. Heath's Government in 1974.

Little extra

All this suggests that something went sadly adrift on Tuesday when talks broke down and the union's executive voted promptly and unanimously to reject the offer and call a long-promised pithead ballot on industrial action.

According to the "moderates" in the union, the Coal Board just failed to see that a little extra on its standing offer could have tipped the scales and avoided the clash. Certainly, Mr. Joe Gormley, union president, went into the talks expecting some sort of movement and appeared surprised and angry afterwards that no modification, even in detail, was forthcoming.

Because of the cost, and because of the incomes policy, the Board has proposed voluntary retirement at 62 but only for those with 25 years' underground experience. "The retirement age would drop in annual steps over three years, from whenever the incomes policy allowed.

It was suggested yesterday that had the Board also offered something for surface workers—perhaps those with 30 years in the industry—the outcome would have been very different.

There are about 190,000 underground workers, and 50,000 on the surface, including office staff at pits. Of the surface workers aged 63 or over, about 60 per cent. have the necessary 25 years' underground work behind them to qualify for the Board's proposal. That leaves comparatively few for whom the union would have liked something to be done.

Many underground workers are forced to takesurface jobs because of injury or lung

NEWS ANALYSIS

By Christian Tyler, Labour Staff

diseases such as pneumoconiosis although latterly the increase of mechanisation has meant that men are able to work longer underground than in the old days. Even so, anyone who has been down a pit knows that working at the face is no picnic, even to-day.

The union, with its close links in the European Coal and Steel Community and with some Eastern European countries, knows that miners abroad have more choice about how long they need to work.

West Germany is the country with which the union is most anxious to compare itself, being the big coal producer of Europe and with one of the most progressive pension schemes.

In Germany, a miner can retire from the age of 55 onwards and gets full pension at 60 if he has had 25 years' ervice. There is some doubt about the figures. The union says that the underground man can go at 55, the surface man at 60 and the qualifying periods are 25 and 30 years respectively. But the Germans are certainly pushing for that 25 years to be reduced to 20.

In Eastern Europe and Spain, 50 or 55 is the common age, although details of eligibility are not easily obtained.

Belgium says 60 for surface workers after 30 years in the industry, but underground men can go at any time after 27 years—in other words from about the age of 43 onwards.

In France, 30 years in the miners' insurance scheme is the qualification for that country's voluntary scheme, or less if the miner is disabled. The U.S. pays pensions to miners after 55 for 10 years' service.

In most of these countries, 65 is the State pensionable age, as in Britain.

As for compensating men who retire early, systems vary widely. British miners are asking for full pay and the Coal Board is offering almost that. In fact it would be comparable with the 90 per cent. take-home pay for three years that goes to miners under their existing redundancy pay scheme.

The present miners' pension scheme was last redrawn a year and a-half ago. It means that a miner who retires at 65 on April 6 next year will, if he is one average earnings of £60 a week and has been in the scheme for 25 years, get £6.12 a week as well as a £954 lump sum. That is in addition to his State pension.

When the scheme is in full force, a man on average earnings with 30 years in the scheme—that is April, 1995—will be entitled to £14.49 plus £2,260 lump sum. For this, the basic contribution is 5 per cent. from employer and employee alike.

Young ones

These are the kind of figures that 240,000 miners are being asked to contemplate as they mary their ballot papers on December 8 and 9. It is hard to say how they will vote. The fact that their leaders are recommending rejection and asking for authority to consider action will weigh heavily.

At the same time it is possible that the thousands of men who stand to gain from the Coal Board's scheme will decide not to push the boat out, along with thousands of younger miners for whom arguments about pensions are not the most important thing in their lives.

Unions may resolve Midland Bank fight

BY DAVID CHURCHILL, LABOUR STAFF

A BITTER inter-union battle for representation of Midland Bank staff is likely to be resolved to-day when an agreement is announced between the National Union of Bank Employees and the Association of Scientific, Technical and Managerial Staffs.

The agreement should bring to an end over four years of intense rivalry between the unions following the merger of ASTMS with the Midland Bank staff association at a time when NUBE was outside the TUC and thus unable to prevent the merger under the TUC's "no-poaching" rules.

Details of the agreement are to be announced by the unions and Midland Bank to-day, but they are believed to include a trade-off between the two unions, with ASTMS agreeing to limit further recruitment in the Midland while NUBE refrains from expanding in the insurance sector.

ASTMS hopes to make a significant impact among the insurance companies, despite strong resistance from employers and staff associations, and hopes that the NUBE agreement will enable it to press ahead with its recruitment campaign.

The agreement comes after a series of talks between leaders of the two unions under the auspicies of the TUC earlier this year, followed by a joint working party to agree "spheres of influence."

NUBE has been anxious for some time to end the feud in the Midland because of its running battles with the staff associations in the other major clearing banks.

NUBE wants to create a single bank union out of the various staff associations in a bid to wield more influence with employers.

But the failure of NUBE and the staff associations to agree an organisational structure for this has led to NUBE threatening to withdraw from joint pay negotiations as well as seek an inquiry from the Advisory Conciliation and Arbitration Service into industrial relations in the banks.

According to Mr. Leif Mills, NUBE general secretary, the inquiry will take place once the application for a certificate of independence by the Barclays Bank staff association has been resolved. Lloyds and National Westminster staff associations have received certificates.

Talks between NUBE and the Department of Employment yesterday over the block on £700 pay rises for managers in the Trustee Savings Banks failed to resolve the issue.

The manager have refused to operate the TSB's new personal loan scheme for which they had negotiated the increases. Further talks with both the Department and TUC economic committee are due to be held next week.

Chrysler U.K. increases car prices

By Terry Dodsworth, Motor Industry Correspondent

CHRYSLER UK is to increase its car prices by an average of 5.9 per cent. from to-day. The rise, the third this year, is expected to be followed by another series beginning in late December or early January.

Chrysler is now three to four weeks behind the other leading manufacturers within the three-month cycle of price rises and has therefore been receiving substantial sales benefits.

But it said yesterday that the latest round of increases had been forced on it by higher manufacturing and materials costs.

Examples of the new prices, including all taxes, are: Simca 1000 LS £1,652 (old price £1,589); Avenger four-door super 1300 £2,212 (£2,071); Avenger four-door de luxe estate 1600 £2,282 (2,141); Hunter de luxe £2,164 (£2,027) and Alpine GL £2,616 (£2,457).

Civil Service union may protest at spending cuts

BY OUR LABOUR STAFF

LEADERS of the largest Civil Service union, the 215,000-strong Civil and Public Services Association, are to be urged to-morrow to step up their industrial action in protest at cuts in Civil Service manpower over the next few years.

This follows the decision yesterday by the union's representatives in the Department of Employment to continue with their overtime ban on statistical work, which has halted publication of the latest unemployment figures, as well as recommending to the CPSA's general purposes committee to make the national overtime ban instigated earlier this month more effective.

Civil Service unions, along with those in the public sector, are becoming increasingly concerned that further cuts will be made soon by the Government and are therefore anxious to express their opposition to them.

Meanwhile, a new row arose yesterday over the size of Civil Service pay increases over the past two years, including the period of pay policy restraint.

The Incomes Data Services journal claimed yesterday that Civil Service pay increases over the two years to April 1976 had amounted to almost 60 per cent. despite assurances from Government Ministers that pay had only risen by about 38 per cent.

The journal was basing its claims on figures published in the Department of Employment's new earnings survey. Earlier this year, the journal had claimed that the Government had used misleading comparisons between civil service and national pay rises.

Work starts on six BSC 'mini-plants'

WORK HAS begun on six small factories being built by British Steel Corporation (Industry), in association with Blaenau Gwent Borough Council, on the Cwm Draw Industrial Estate, Ebbw Vale.

The units, which will cost £150,000, will each cover 2,500 square feet and will be housed in one main building. Construction is to be completed next July.

The contractors for the units' design and construction are Modern Building Services (Bristol). On completion, they will be available for rental. The six units will have an employment potential of up to 100 jobs.

BSC (Industry) is a British Steel Corporation subsidiary. The corporation aims to attract industrial development to areas affected by its rationalisation plans.

College nurses seek union status

By Our Labour Staff

MEMBERS of the Royal College of Nursing yesterday voted overwhelmingly to seek Privy Council approval for the college to try to become a trade union. Nurses' leaders at yesterday's annual general meeting made it clear that the move would help fight cuts in the National Health Service.

The ballot produced a vote of 10,348 in favour of seeking union status, with 296 against.

NUT threatens sanctions

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

THE National Union of Teachers yesterday followed its closest rival — the combined National Association of Schoolmasters and Union of Women Teachers—in threatening sanctions against local authorities which tried to reduce teacher staffing because of the cut in the rate support grant from central government.

Overspending this year has led to a cut of £39m. in the local education authorities' allocations for 1977-78. Although the areas for saving designated by the Government do not include teacher employment, the local authorities are not required to follow central guidelines.

Shapira moving to Wansbeck

P. SHAPIRA is to build an 11,000 sq. ft. clothing factory at Wansbeck Northumberland. The move will provide jobs for another 100 women making nightwear and the company hopes to move into the new premises by July.

P. Shapira already has two factories in the area—a 30,000 sq. ft. unit employing 300 workers at Blyth, and converted premises at Newbiggin employing 70.

Worker-director problems

PLANS to put worker-directors into the boardrooms of Britain's top companies are liable to create far more problems for unions than for companies, Mr. James Milne, general secretary of the Scottish TUC, said yesterday.

"People in industry are telling us of the difficulties which legislation would create for the firms," Mr. Milne said.

"But my view is that the difficulties it would create for unions and unionists would be much more substantial. There would be difficulties for unions in finding people to go on the boards and in providing the education."

CORPORATION LOANS

LEGAL NOTICES

In the Matter of The Companies Act, 1948 and in the Matter of PLYMOUTH COMPUTER SYSTEMS INTERNATIONAL LTD.
Registered Office: 33 Clifford's Inn Fetter Lane, London, E.C.4.

NOTICE IS HEREBY GIVEN pursuant to Section 293 of the Companies Act, 1948, that a MEETING of the CREDITORS of the above named Company will be held at 33, Clifford's Inn, Fetter Lane, E.C.4, in the City of London on Wednesday, 15th December at 11.30 a.m. for the purpose mentioned in Section 294 et seq of the said Act.

DATED this 15th day of November 1976.

BY ORDER OF THE BOARD.
R. J. McGREGOR, Director.

BOND DRAWING

NORGES KOMMUNALBANK
5¾% 1963/1983
UA 12,000,000 LOAN

Bonds for the amount of UA 624,250 have been drawn for redemption in the presence of a Notary Public on November 11, 1976. The Bonds will be reimbursed cum coupon no. 15 on and after January 15, 1977.

The drawn debentures are those, not yet previously redeemed, included in the range beginning:

Bonds of nominal UA 1,000: 5,318 to 6,125 incl.

Bonds of nominal UA 250 Series A: 11,307 to 11,611 incl.

Bonds of nominal UA 250 Series B: 11,423 to 11,625 incl.

Bonds of nominal UA 250 Series C: 11,064 to 11,349 incl.

Bonds of nominal UA 250 Series D: 10,479 to 11,632 incl.

Amount called for redemption: UA 759,000.—.

Bonds purchased on the market: UA [illegible],750.—.

Amount unamortized: UA 5,518,000.—.

Outstanding drawn Bonds:

Bonds of nominal UA 1,000: 2,085—7,769 to 7,773 incl.—7,788—8,065—8,127 to 8,129 incl.—8,141—8,165—8,197.

Bonds of nominal UA 250 Series A: 11,950 to 11,952 incl.

Bonds of nominal UA 250 Series B: 11,186.

Bonds of nominal UA 250 Series C: 11,124—11,389 to 11,398 incl.—11,411 and 11,417—11,414.

Bonds of nominal UA 250 Series D: 10,187—11,642—11,658 to 11,665 incl.

Luxembourg, November 25, 1976.

THE TRUSTEE,
KREDIETBANK
S. A. Luxembourgeoise

COMPANY NOTICES

BRITANNIC ASSURANCE CO. LTD

DIVIDEND DECLARATION

NOTICE IS HEREBY GIVEN that a dividend of 2½ per cent (tax free) has been declared on the 5 per cent. (tax free) Cumulative Preference Stock of the Company for the half-year ending 31st December 1976, payable to Preference Stockholders registered in the books of the Company at the close of business on the 8th December, 1976.

The warrants will be posted on the 31st December 1976.

B. E. DUFFY, Secretary.

Moor Green,
Moseley,
Birmingham B13 8QF

VEREENIGING REFRACTORIES LIMITED
(Incorporated in the Republic of South Africa)

PREFERENCE DIVIDEND NO. 61

Notice is hereby given that a preference dividend No. 61 of 2½ per cent has been declared on the 5 per cent cumulative preference shares of the company for the half-year ending 31st December, 1976 payable to shareholders registered in the books of the company at the close of business on 10th December 1976.

The dividend is declared in the currency of the Republic of South Africa.

The preference transfer registers and registers of members will be closed from 11th December, 1976, to 24th December, 1976, both days inclusive and warrants will be posted from the Johannesburg and the United Kingdom offices of the transfer secretaries on or about 14th January 1977. Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on 4th January 1977 of the rand value of their dividends (less appropriate taxes). Any such shareholders may however elect to be paid in South African currency, provided that the request is received at the offices of the company's transfer secretaries in Johannesburg or in the United Kingdom on or before 10th December, 1976.

The effective rate of non-resident shareholders' tax is 15 per cent.

The dividend is payable subject to conditions which can be inspected at the head and London offices of the company and also at the offices of the company's transfer secretaries in Johannesburg and the United Kingdom.

By Order of the Board
F. KEMP Secretary

London Office:
40 Holborn Viaduct,
EC1P 1AJ.
Registered Office:
Barrage Road
P.O. Box 117,
Vereeniging 1930.
South Africa.
Office of the United Kingdom Transfer Secretaries:
Charter Consolidated Limited,
P.O. Box 102
Charter House, Park Street,
Ashford Kent TN24 8EQ.
24th November, 1976

PUBLIC NOTICES

BIRMINGHAM COUNCIL BILLS

The £6m. ninety-one day Bills were issued on Thursday 25th November, 1976, with maturity on the 24th February, 1977. Applications totalled £40m. The minimum price accepted was £96.53. The average rate of discount was 13.9181519%. The total Bills outstanding is £19m.

CITY OF NEWCASTLE-UPON-TYNE BILLS

£6,600,000 bills issued 24.11.76, maturing 23.2.77 at average rate of 13.8655%. Applications totalled £35,000,000 and there are £6,600,000 bills outstanding.

EAST SUSSEX COUNTY COUNCIL

£2m of the £4m 91-day bills offered were issued at 13¾% p.a., due 23/2/77. Applications totalled £49m. Outstanding, £7m.

ESSEX COUNTY BILLS

£5m Bills issued 23 November, 1976, due 22 February 1977 at 13.889375%. Applications £65m. No other Bills in issue.

CLUBS

BOOKS

with Christmas in mind on painting . . .

Good for present givers

BY ANTHONY CURTIS

This year sees the usual abundance of present-worthy books with prices mainly oscillating from £15 to around £3.95, and there is plenty to choose in the middle range, as the selection below indicates:

Edmund Dulac by Colin White. Studio Vista. £10.50. 208 pages.

Born in Toulouse in 1882, Dulac made his name in London illustrating an edition of the Brontës' novels for Dent. He settled here eventually becoming a British subject. The exotic stimulated his delicate exactitude: the Arabian Nights and Omar Khayaám were naturals for him. He became a great friend of W. B. Yeats who wrote a poem about his centaur design and collaborated with Dulac in producing Noh-style plays. Later Dulac worked with Cochrane, and in the second war, designed the stamps and currency for De Gaulle's Free French. Colin White deals with all this and much besides in what will become the definitive work on this charming artist. The illustrations do his work full justice.

The Heritage of Apelles: studies in the art of the renaissance by E. H. Gombrich. Phaidon, £9.95, 250 pages

Sir Ernst is concerned with "the role of the classical tradition in Western art." The starting-point for this tradition is Apelles, the court painter of Alexander the Great, all of whose work is lost. However, Apelles established the *ideal of an art that combined* "supreme skill in the imitation of nature with the realisation of surpassing sensuous beauty." Sir Ernst considers various implications of this ideal, with characteristic delicacy of insight backed by massive scholarship.

On Human Finery by Quentin Bell. The Hogarth Press, £6.00. 229 pages

Here is a complete re-write of a book first published in 1945. Professor Bell sees the cult of fashion in the context of sociology, but as befits a son of Bloomsbury he is elegantly readable. Veblen's *The Theory of the Leisure Class* is the opening gambit in an absorbing discussion of sartorial morality (the skirt, for instance, is said not to be indication of enslavement). Illustrations pleasingly illuminate the argument. Professor Bell believes fashion may be on the way out.

The Lost World of the Impressionists by Alice Bellony-Rewald. Weidenfeld and Nicolson. £10.00 (until 31st December, 1976 thereafter £12.50). 288 pages

With the aid of a large selection of plates, including many unfamiliar ones, this book re-tells the story of the Impressionist Movement through the careers of its chief exponents. The author's useful aim is to try to re-create the life and landscapes that these artists transformed through their work.

Holbein by Helen Langdon and Beardsley by Simon Wilson. Phaidon. £3.95 each

These latest volumes in the Phaidon Colour Plate series are good value. They give a broad selection of each artist's work excellently reproduced, headed by a scholarly introduction. The Beardsley volume contains at least one drawing never reproduced before. One sees why.

The Party That Lasted 100 Days by Hilary and Mary Evans. Macdonald and Jane's. £5.95. 162 pages

What really was "the season"? Who celebrated it and why? Was it merely frivolous time-wasting or did it have an important social function? Mr. and Mrs. Evans, scholars and collectors of *Victoriana, set about answering* these not too solemn questions with the aid of drawings by Tissot, Du Maurier, Doré and others. A relaxed view of a hectic subject.

Nursery Antiques by James Mackay. Ward Lock. £3.95. 136 pages

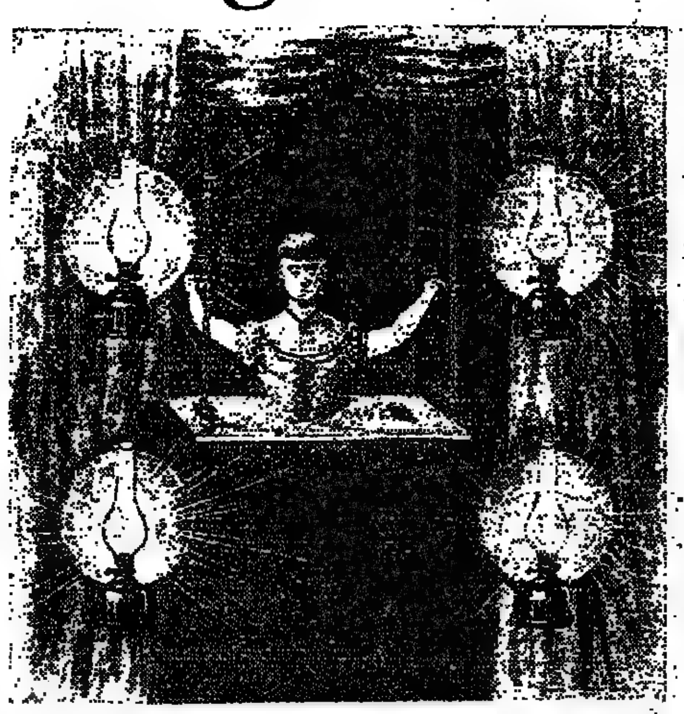
The toys, dolls, games and rocking-horses of yesteryear are the antiques of to-day. The author, who will be well-known to readers of this paper, goes through the toy-cupboard and the dressing-up box methodically. It is an area becoming ever more popular among collectors, but there are still bargains to be snapped up. Moral: hang on to those bits of Lego even though your children have outgrown them.

Playthings Past by Betty Cadbury. David and Charles. £4.95. 95 pages

More about toys as antiques with close-up photos of mechanical and clockwork marvels from the 19th century; chapters on optical toys, money pots and boxes. The author points as well to the changing social attitudes reflected in toys.

Oscar Wilde by Sheridan Morley. Weidenfeld and Nicolson. £4.95, 160 pages

As the author candidly admits, there have already been more than 100 books on Oscar Wilde. Much, however, has come to light in recent years and there is just room for this "attempt at a hardback documentary" with its determined effort "to show that Oscar's own life was indeed the greatest of all his theatrical productions." Mr. Morley, drama critic and son of a portrayer of Wilde on the stage, has just the right background for such a task. He also has an admirably lucid grasp of the complexities of Wilde's career.



"The bodiless lady"—an illustration from Geoffrey Lamb's book "Victorian Magic" (Routledge £4.95) which recalls many celebrated illusions. Further enlightment on them may be found in "Magic: The Great Illusions revealed and explained" by David H. Charney (Robert Hale £4.80) and "Never Give a Sucker An Even Break" by John Fisher (Elm Tree Books £4.50)

Animal Fakes and Frauds by Peter Dance. Sampson Low. £3.50. 128 pages

Mr. Dance is a conchologist by profession. In the course of his work at the British Museum and at Cardiff he has come across many zoological fakes, a topic on which he has now produced this intriguing book. He sheds light on a hitherto obscure corner of human ingenuity and credibility.

The Shadow of Vesuvius: Pompeii A.D. 79 by Raleigh Trevelyan. Michael Joseph. £4.50. 127 pages

We learn what happened when the volcano erupted in A.D. 79. Mr. Trevelyan also gives us an on-the-spot tour of the site to-day and other places affected by the disaster, but his main aim, with the aid of several colour plates, in a book beautifully designed by the Folio Society, is to trace the impact of the rediscovery of Pompeii on European culture.

The Thirties by Alan Jenkins. Heinemann. £6.50. 239 pages

The successor to Mr. Jenkins's much-acclaimed book on The Twenties. It is done with the same wide sweep of diverse material taken mainly from show business, sport, society and current affairs. An opening photograph shows Marlene Deitrich in *The Blue Angel*, the last ones Flanagan and Allen Hanging Out Their Washing on the Siegfried Line and Jack Hylton plugging "Run Rabbit, Run." "In the Thirties," says Mr. Jenkins, "innocence was lost." Here we can recapture it.

The Expedition in Holland 1572-1574. From the manuscript of Walter Morgan by Duncan Caldecott-Baird. Seeley, Service and Co. £15.00. 170 pages

Morgan was a Welsh soldier of fortune who fought in the Netherlands campaign. Here is his war-diary printed in full from the original manuscript supported by a scholarly commentary that puts the account into a wider historial perspective.

The Shell Book of Motoring Humour introduced and edited by Nicholas Bentley. Michael Joseph. £4.57. 159 pages

Social history and hilarity combine in this admirable volume which takes us from the tin lizzie era to congested modern times. Cartoonists galore from Peter Arno to Anton (Antonia Yeoman) are on show.

The Early Morning Milk Train: the Cream of Emmett's Railway drawings. John Murray. £3.95

Emmettites can enter into their kingdom once more in this elegant volume which characteristically has no page numbers. "The individual," says Bevis Hillier in his foreword "standing *on his dignity* or up for his rights, even when a train has been re-routed through his drawing room is central to Emmett's quizzical vision." True. The route runs from Far Twittering to Oyster Creek with much hooting.

The Guinness History of Air Warfare, by David Brown, Christopher Shores, Kenneth Macksey. Guinness Superlatives. £6.50. 241 pages

Schoolboys and other addicts will spend many happy hours with the statistics charts, maps, biographies and colour pictures assembled in this latest runner from the well-known stable.

Alaska: The Sophisticated Wilderness by John Gardey. Wilton House Gentry, £7.95. 223 pages

This beautiful region of the United States has in recent years been torn apart by oil-pipelines. The author's photographs in pin-sharp colour show just what is at stake. A former meteorologist, he first went to Alaska to climb Mount McKinley.

Pay Bed by Nicolas Bentley. André Deutsch, £1.95. 123 pages

The author went through a horrendous period in hospital after an endoscopy ("They pass a tube down into your insides with a camera in it and take a few pictures"). He tells all in the phlegmatic manner of which he is a master. Fellow patients will shiveringly rejoice, others will chuckle with detachment.

The Tribal Eye by David Attenborough. BBC Publications. £7.00. 144 pages

Based on the television films in which Attenborough discovered many outstanding survivals of tribal culture. The photographs cover both location work and museum objects.

The Liners by Terry Coleman. Allen Lane. £5.95, 220 pages

Luxurious ocean travel has so far escaped the nostalgia boom. Mr. Coleman comes to the rescue full steam ahead, with some choice pictures of those magnificent ships, their uninhibited décor, and the celebrities who used to travel on them, nor does he forget the ones that tragically went down such as the Titanic and the Lusitania.

A Night to Remember by Walter Lord. Allen Lane. £4.95, [illegible] pages

An illustrated edition of the book first published in 1956. The horror of the sinking of Titanic in April 1912 loses nothing in Lord's exhaustively researched definitive account.

The Best of British Pluck by Philip Warner. Macdonald and Jane's. £5.95, 200 pages.

One for Grandpa—an anthology culled from contributions to Boy's Own Paper. It contains a goodly meed of Henty, Ballantyne, Conan Doyle, H. de Vere Stacpoole, Algernon Blackwood plus original illustrations actual size of articles like "Association Football and How to Excel in It" (Don Revie to s[...] and "The West Indian Cricket Team" by P. F. Warner. You may smile, young feller, but it was all a good deal more exciting than gawping at the boob-tube I can tell you!

The Journal of the Century. Secker and Warburg. £8.50, [illegible] pages

A selection from a chic American magazine The Ladies Home Journal, starting in the 1880s coming up to the present through a string of elegantly printed articles. Authors range from Charles Dickens to Truman Capote, and subjects include food, fashion, travel, home affairs and the arts.

Encyclopedia of Mystery and Detection by Chris Steinbrunner and Otto Penzler. Routledge. £12.50, 436 pages

From Edward S. Aarons—all of whose thrillers begin with the word "Assignment"—to [...] Zinberg who writes mystery novels under the pseudonym Ed Lacy, this A to Z of crime fiction covers massive ground. Long articles on major authors with checklists of principal works and movieographies, also biographies of many fictional detectives. Pseudonyms in which the subject abounds are invariably cracked as in the case of Emma Lathen (two Boston business ladies). Nothing, though, about Ernest Borneman (alias, Cameron McCabe). Happy hunting ground here for addicts.

Time for a story to hold them

BY JULIA DOBSON

In spite of the economic crisis there is a wider, and if anything, more sumptuous selection of children's books on offer this season.

For the 8-12 age group there is some first-class material. **The Great Brain Does It Again** (Dent £2.75, 129 pages) is a very funny book based on John D. Fitzgerald's memories of his brother Tom and their childhood in Utah at the turn of the century. Tom had a great brain which he used exclusively for the purpose of making himself rich, to which end he manipulated his *brother, swindled his friends, and* made fools out of adults.

The Joke Shop by D. J. Enright (Chatto and Windus, £2.50, 124 pages), is a fascinating book full of tricks, puns and funny characters. But it all goes beyond a joke when Robert, Jane and Timmy walk through the shop into Shadeau — a land where no light shines. There, they are educated by gloomy rulers in every aspect of the dark until they begin to feel mere shadows of their former selves. Fortunately, flesh and blood asserts itself in the end.

Ask Me No Questions by Ann Schlee (Macmillan, £3.25, 228 pages) is based on fact. When Laura and Barty leave London on account of the cholera and go to their Aunt and Uncle in Tooting, they discover Mr. Drouet's home for pauper children next door. Gradually, they learn of the horrible happenings in the home, but can do nothing in the face of the implacable and complacent Victorian attitudes on their side of the fence. None of the facts are blurred in the telling of this poignant story.

Animal lovers will be pleased to hear that Monica Dickens has followed up her television series on the rest home for horses with *a book called Stranger At Follyfoot* (Heinemann, £2.50, 132 pages). They will also find **Jet, a Gift to the Family** by Geoffrey Kilner (Kestrel Books, £2.75, 158 pages) most appealing. A greyhound puppy brings more than excitement into the lives of an immigrant Jamaican family—it brings purpose and good fortune.

Children from 6-8 years old who are reading for themselves are more difficult to cater for. If they can take on board a rather pompous squirrel who rides a bicycle, has a bank balance and buys property, they may enjoy **The Exploits of Mr. Saucy Squirrel** by Woodrow Wyatt (Allen and Unwin, £2.95. 115 pages)

Allan Coren has made an attempt to fill the gap with his Arthur books. Though somewhat contrived, they are original and should appeal to those with a quirky sense of humour, especially boys. The stories are set in the Wild West of America, and the mysteries which crop up in cowboy land are solved by a precocious seven-year-old detective who goes under the name of **Buffalo Arthur, The Lone Arthur, and Arthur the Kid** (Robson, £1.50 each, 64 pages). If the *volumes seem a little slim, there* are compensations in the clear type and amusing pictures.

Tolkien fanatics will be delighted to possess **The Father Christmas Letters** (Allen and Unwin, £2.50; 24 pages) which he wrote every year to his own children.

For children from the age of five who still enjoy being read to, there is a marvellous book called **Batsmagic** (Cape £2.50). The graphic coloured illustrations by Wayne Anderson are well-matched by Christopher Logue's haunting text. **The Crows of Pearblossom** (Chatto and Windus, £2.25) written by Aldous Huxley in 1944 has such a good story line that it will never date.

Dent have produced a series of King Wilbur The Third books. Following the Thames Television programmes. The stories of this amiable King who gets himself into one slapstick situation after another are simply delightful, and at 75p each, very good value for money.

For the very young readers whose attention is focused on illustrations rather than text, there are some attractive books. **Dad's New Car** by Dorothy Edwards and John Dyke (Methuen, £1.50), contains funny pictures of a meddling father and a nagging mother. Nothing appeals to the young so much as the misdemeanours of others, which explains why **My Naughty Little Sister Goes Fishing** by Dorothy Edwards and Shirley Hughes (Methuen, £1.50) has been re-printed.

A word of warning about **Puss in Boots** (Cape, £2.95). The lavish pop-up scenarios by Nicola Bayley are beautiful, but this book is not for casual handling. Those with a *penchant* for the grotesque can read **One Monster After Another** by Mercer Mayer (Dent, £2.50).

Cleo, John and Coltrane

BY KEVIN HENRIQUES

Chasin' the Trane—the music and mystique of John Coltrane, by J. C. Thomas. Elm Tree Books. £4.50. 188 pages

Jazz Now — the Jazz Centre Society Guide, edited by Roger Cotterrell. Quartet Books. £1.75. 216 pages

Cleo and John—a biography of the Dankworths by Graham Collier. Quartet Books. £4.95. 187 pages

The Jazz Book by Joachim Berendt. Paladin Books, £1.50. 459 pages

Blues by Robert Neff and Anthony Connor. Latimer New Dimensions. £5 (hardback) and £2.95 (paperback). 141 pages

This has not been a vintage year for jazz books but pick of the small harvest is the first full-length biography of John Coltrane, the innovatory tenor-saxist who died nine years ago but whose profound influence remains to this day.

Though it is not clear what personal contact J. C. Thomas had with his subject the result is a well-researched biography with Thomas invoking literary licence *in many instances to describe* incidents at which he was clearly not present. From talks with Coltrane's family, friends, associates and acquaintances he has assembled a sharp portrait of this enigmatic musician.

Thomas offers few opinions of, or explanations for, Coltrane. At the end, though, he does proffer one firm, positive judgment: "I believe that John William Coltrane was a mystic, a musician, and a man who changed people's lives, usually for the better." This evaluation is strongly supported by the facts expertly presented here.

More parochially, the most enthusiastic of welcomes for *Jazz Now* which is really in two parts: first, ten articles by leading British writers, then a reference section led by a directory of almost 250 jazz musicians playing in Britain plus relevant information about books, films, clubs and records.

The reference section alone makes the book totally invaluable. Some of the inclusions in the list of musicians will raise eyebrows and hackles. Against these—and the omissions—is the telling fact that this is the first such directory of local players that has ever been available.

The opening section is a highly acceptable bonus with, for me, Brian Blain heading the roll of honour with an affectionate but not dewy-eyed reminiscence of that unforgettable drummer Phil Seamen. As indefatigable editor Roger Cotterrell notes in his Introduction, *Jazz Now* "is the first ever book to attempt to look systematically at the British jazz scene and provide a reasonably complete picture of who's who and what's what in the music." This, really, is the most accurate recommendation for it, other than the price £1.75 —paltry for so much information and endeavour.

Bassist / composer / educator / author Graham Collier has written an entirely adequate "popular" biography of the Dankworths. With the co-operation of the subjects themselves, their associates, some relations and large pile of Press cuttings he has made a refreshingly unsycophantic appraisal of the two jazz-based artists who have also survived what Collier puzzingly terms "the accolade" of being *This is Your Life* victims.

Whether jazz followers will consider it sufficiently penetrating is another matter. For though John Dankworth has not been heavily involved in jazz in recent years he played an important part in the beginnings of modern jazz, especially big bands, in this country. This aspect of his life—the Club Eleven days, the years of one-night stands—is not deeply explored.

Collier concludes: "Cleo and John would seem to be at something of a crossroads." Whichever path they choose, as both—incredibly—approach 50 next year, is fairly certain to be paved with success, even if not in the out-and-out jazz field where they both began.

(Incidentally Quartet, publishers in 1973 of *Bird Lives!* by Ross Russell and long since out of print have re-issued it in paperback *at £2.25. Be warned* though: since its original publication several musicians referred to have declared it to be wildly inaccurate.)

German jazz critic Joachim Berendt, regarded as one of the music's foremost authorities, has up-dated and expanded his totally indispensable opus, *The Jazz Book*. He explains the many styles of jazz, its musicians, the elements which constitute it, its instruments as well as the big bands, combos and vocalists of jazz.

To all Berendt brings a heavy but genuine passion for the music. *Also some provocative* statements—e.g. "Jazz does not belong to Africa where it was unknown at the time of origin" —which might make fervent Afro-Americans such as Max Roach or Miles Davis apoplectic. Berendt also seems obsessed with the social relevance of jazz, clearly likes using the word "proletariat" as often as possible and considers the loudness of much contemporary jazz "a new challenge." In a final chapter he advances the claims of European jazz to be on a level with American because of the development in Europe of free collective improvisation in which the individual submerges his personality for the sake of the whole group. Hmmm.

A lightweight, refreshing antidote to Berendt's ultra-serious but admittedly argument-provoking approach, is the collaboration between photographer Neff and writer Connor who persuaded over 50 blues men and women to talk about their colourful lives. *With no set theme* the book oozes with the reality and truth of bluesmaking—the problems black artists still face in their own country, their loves, their hopes. It is a far more convincing and realistic contribution to the understanding and appreciation of blues and jazz than all the theorising and intellectualising by well-schooled critics.

هكذا من الأصل

... wine, Venice, humour, racing, jazz, tales for children and antiques

Vanishing Venice

BY C. P. SNOW

Venice by Milton Grundy. Lund Humphries. £5.95, 204 pages

Ruskin's Venice edited by Arnold Whittick. George Godwin. £7.50, 325 pages

The Death of Venice by Stephen Fay and Philip Knightley. André Deutsch. £4.25, 190 pages

Venice is the world's supreme artefact, the most beautiful collective enterprise built out of nothing entirely by the hands of men. And, just to baffle idealists and liberal ideologists, built by hard-boiled materialistic money grubbers, men unscrupulous enough to make Jay Gould and Commodore Vanderbuilt look sticky. Further, the Venetians produced some of the greatest of the world's artistic creations without in the least encouraging—in fact actively discouraging—individual self-expression.

The Republic lasted for a thousand years, but individual personalities were not allowed to protrude themselves, no more than in Mao's China. The great Venetian painters never even heard of the concept of individual freedom. That didn't prevent the Bellinis, Giorgione, Titian, Tintoretto, Veronese, doing rather well.

Anyway the Venetians have left us their city as a memorial. It ought to be immortal—but study the last book of these three.

Meanwhile we can enjoy it. For anyone new to the place, Mr. Milton Grundy's is the best short guide I know. It is not only a guide but also a kind of illustrated anthology packed with quotations from some of the most eloquent Venice lovers, Henry James, Ruskin, Berenson, and elegant reproductions to accompany the walks which the author recommends. It is remarkably hard to select Venetian pictures which aren't so well known that one ceases to notice them, but many of Mr. Grundy's will strike fresh to everyone except the most superior connoisseurs.

His advice on how to spend the first weeks of one's first stay in Venice is as well judged as his text and pictures. Don't try to do too much, he says sapiently. Most peoples saturation-time for viewing pictures is quite short, especially for viewing pictures in ill-lit churches. An hour a day is as much as most of us can take. If you don't like crowds, avoid them. Take a mile walk up the Zattere. It isn't hard to find the church of San Sebastiano, one of the most delectable small churches in the city, usually empty, glowing with a superb Veronese. You won't find any crowds in that corner. This was Veronese's own church and now commemorates the most loved of all the great Venetian painters.

For anyone who is going to see Venice for the first time next year, Grundy's book would be a nice Christmas present. Armed with Grundy, Lorenzetti (the only really thorough guide), and Jan Morris's *Venice*, no-one could avoid seeing much more than if he trusts—a very stupid thing to do—to his own unaided wits. Perhaps he ought to remember, if he goes in the autumn, that the makers of Venice must have been uncomfortably chilly half the time.

Ruskin might have approved of that reflection. He had a rooted belief that Venice ceased to be virile, and its architects ceased to be any good, as soon as the inhabitants achieved any degree of comfort, that is about the middle of the 15th-century. Then, Ruskin proclaimed, the old stern martial virtues had run out. The hard Gothic gave way to more effeminate styles. Palladio brought shame upon himself by putting up the worthless San Giorgio Maggiore, which roused Ruskin to one of his fits of insensate rage.

Ruskin could be a silly old codger, or rather a silly young codger, for *The Stones of Venice* was a young man's book. Yet, as Mr. Whittick's skilfully edited selection reminds us, what a splendid writer he was! In the high style of English prose, which nowadays we couldn't use without being false, he is as good as they come. And, for all his eccentric judgment, what an eye! Even granted rage, codgerhood and all, he was a great and superlatively gifted man.

Afterwards one reads *The Death of Venice*. Stephen Fay and Philip Knightley are two of the clearest headed and most resolute journalists of our time. They are certain that Venice, except in remnants, as a derelict museum, will not survive for another half century. Their own estimate would be less optimistic than that. They give all the technological arguments. They say that it is already too late to take effective steps.

They may be right, but for once I have an irrational optimism. Will the world lose Venice? One can't guess what the Communist party in Italy intends, either for good or ill. But will they let Venice go? If they were Poles they wouldn't. Think of what the Poles rebuilt on the ruins of old Warsaw. Whatever else that doesn't prove, it does show what human will can do.

Premier's baton is raised

BY ELIZABETH FORBES

Music A Joy for Life by Edward Heath. Sidgwick and Jackson, £5.95, 204 pages

Young Edward Heath found that practising scales and arpeggios was a dreary business, particularly for a boy who lived near Broadstairs, within cycle-ride of the beach. He persevered, however, and after his voice broke and he could no longer sing as treble soloist in the local church choir, began to study the organ as well. The early chapters of the former Prime Minister's profusely illustrated, very readable book offer an insight into that world of English provincial music which, at least until the second world war, was synonymous with church music.

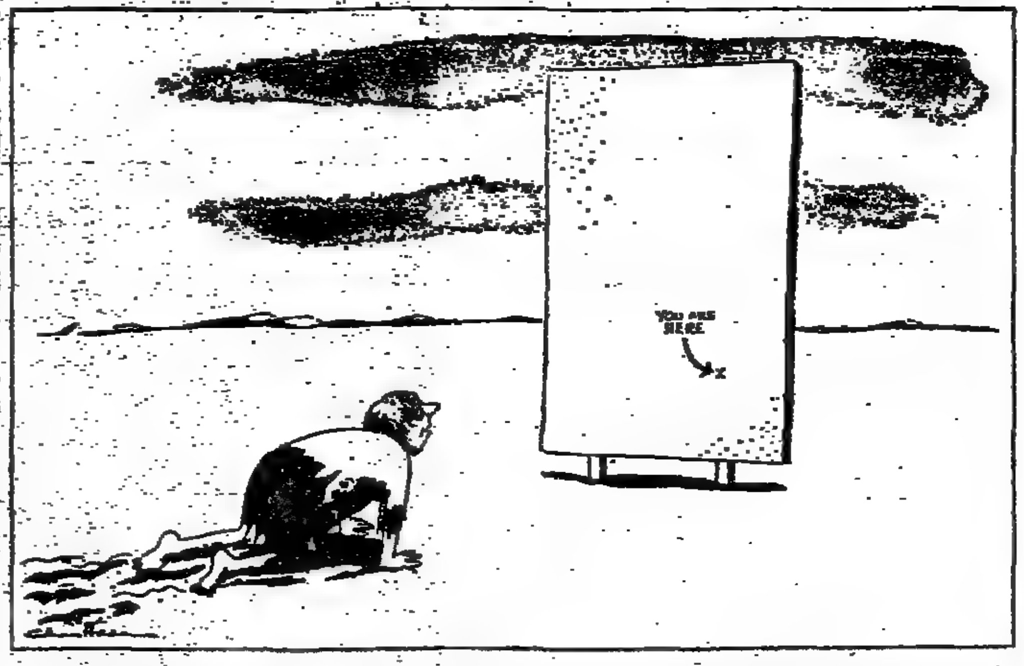
Anthems by Sterndale Bennett and S. S. Wesley, Stainer's *Crucifixion* or Gounod's *Redemption* on Good Friday, carols at Christmas—these formed the basic diet on which many a youthful musical imagination was nurtured. Madrigals and part-songs brought welcome variety to the staple fare and at 16 Edward Heath became conductor of the Broadstairs Glee Club. There were also the Proms. A pass to morning rehearsals at Queen's Hall enabled the schoolboy Heath to make the most of infrequent visits to the capital, while those glimpses of Sir Henry Wood at work laid the foundation of an interest in orchestral conducting that was to bear fruit many years later.

Oxford in the late 1930s provides another peep into a timeless world: the countries of Europe were rushing towards war, but at Balliol, where the undergraduate Heath was Organ Scholar, the programme for the thousandth concert of the College Musical Society took precedence. The organ scholar was, however, also President of the Union and Chairman of the University Conservatives; on going down he chose the Bar and politics instead of music as a profession. War service in the Royal Artillery intervened, and the author's subsequent career is part of history.

As Prime Minister he was responsible for many agreeable evenings of chamber music at Chequers or No. 10 Downing Street. But his undoubted enthusiasm is deliberately expressed with the same reticence in which he veils both his public and private life. Mention of the famous conductors he has heard, from Toscanini and Beecham to Karajan and Solti, brings a slight quickening of the tempo; then in chapter 7 the veil of reticence is at last torn apart.

The description of "that memorable night" when Mr. Heath first conducted the LSO at a gala concert in the Festival Hall tingles with vivid emotions, not all of them entirely pleasurable.

Justifiable pride mixes with genuine humility; painful if fleeting stage-fright turns into confident exhilaration; raw, unmediate feelings are allowed to emerge without qualification or dilution. The choice of Elgar's *Cockaigne* Overture for his conducting début and his interpretation of the piece, are also self-revelatory: "I wanted the British to regain their former pride and ebullience, not through empty pomp and circumstance but through the knowledge that deep down they were capable of coping with whatever might come." Brave words indeed!



A vintage Chas Addams from 'The New Yorker Album of Drawings: 1925-1975' (André Deutsch £7.50) which contains 500 chosen from the 40,000 published in the magazine during the period.

Kindly leave the bunker

BY DEBORAH PICKERING

Ploughing, skimming, sometimes dipping into a haycock of humour is not too different from wine-tasting—the latter affording more enjoyment when one cheats with an extra sip and gargle of a particular goody assuming one is, like this one, a non-viveur. First from the rack is a grand cru from J. B. Priestley (English Humour, Heinemann £6.50 201 pages). Priestley has up-dated a book he wrote nearly fifty years ago, now a kaleidoscope of verbally illustrative peculiar national characteristics. A succulent analysis of humour as expressed in the writings of Chaucer, Chesterton, Shakespeare to W. S. Gilbert, Fielding, Sterne, P. G. Wodehouse, Waugh, *et al*. The Christmas card cover and drawings by Cruickshank, W. Heath Robinson, Rowlandson engravings add vintage quality to a deliciously funny feast.

A nation of shipkeepers jumping into modern with metric is how Paul Jennings presents us in *Britain As She Is Visit* (Michael Joseph, £2.75, 110 pages). With plausible, zany explanations of Englishmen's motives and mores, this is an excellent guide to extra-terrestrial visitors to these shores. Ostensibly a light cup it is full-bodied and full-blooded.

"The Gentleman's Guide to Everyday Survival" is the thoroughly misleading come-on to William Rushton's Super Pig (Macdonald and James, £3.95, 184 pages). Intended as an invaluable survival kit for the rogue male coping on his own, or as an "occasional" dad, cook/housekeeper, it would succeed into driving the "free man" into burning his decree absolute and registering at the nearest matrimonial agency. This is comi-tragedy, broken with hilarious cartoons and the author's buoyant barbs, but I did succumb to its cheeky little bouquet.

Spike Milligan's war diaries continue with **Monty His Part In My Victory** (Michael Joseph, £2.95, 128 pages). Treasured photographs—surely first time published—copies of Hitlergrams, highly secret documents, extracts from battery orders, will give the post-war reader a fascinating knowledge of how it all was then. The eagle and swastika had no chance against Spike's celebrated comrades. Rating: good, value-for-money, plonk.

When Queen Victoria's grandson wrote from Wellington College asking for more pocket money, she replied that he must try and live within his allowance. All to no avail. No need to worry, came his reply, all was now well: he had sold his grandmother's letter to another boy for thirty shillings. The incident in Alan Hardy's **Queen Victoria was Amused** (John Murray, £5.50, 192 pages) is typical of the deep family connections sustained throughout her reign. Quotations from Queen Victoria's Journal, papers in the Royal Archives and pictures and photographs from the Royal Collection, make up an astonishingly affectionate brew. None is destined to make one fall about in paroxysms of laughter, but the whole is a delicately preserved case of vintage smiles.

And now for some Californian claret-type from Woody Allen in **Without Feathers** (Elm Tree Books, £3.50, 210 pages). To see, to hear and to read Allen is to love him, yet he says his one regret in life is that he is not someone else. His artistic ambition, as he puts it, is to "forge in the smithy of my soul the uncreated conscience of my race. And then to see if I can get them mass-produced in plastic." No, honestly, his humour is turned inwards with a self-inflicted knife. His deliberately un-put-together, spineless, persona, resisting any similarity with normality, is a studied desperation against even starting to win. Included in a collection whose humour defies categorisations, is a play *Death*, in which one can see Allen playing every character, voice and hiccough. Sharp and bitter from a deep-freeze it should only be read at room temperature.

Horsy pictures in frame

BY MICHAEL THOMPSON-NOEL

One good test of a thriller, I suppose, is the number of times one's friends beg, borrow or steal it, so it says a lot for Dick Francis that my review copy of his latest novel, In the Frame (Michael Joseph, £3.25, 252 pages) was thrice stolen and thrice returned before I could get down to it.

The larceny is forgiven; for sheer consistency there is no thriller writer to match him on this side of the Atlantic, and this, his 15th novel, is as tautly entertaining as the rest.

Charles Todd, who paints horses for a living, flies to Australia to track down a gang of art forgers, and a nasty bunch they are. One could wish for just a *bit* more background detail, and there are times when the writing runs loose: otherwise, another Francis winner.

The royals sell books, and horses sell books, so it follows that Princess Anne and Mark Phillips **Talking About Horses**, with Genevieve Murphy (Hutchinson, £2.95, 128 pages) is destined for a form of best-sellerdom.

Hardly a page flits by without HRH describing some equestrian upset or another as "quite the most ghastly experience of my life," while the good Captain dutifully refers to his wife as "Princess Anne" and tells us what it's like to win Badminton. The book is bang up to date with a chapter on the Montreal Olympics, and extremely well illustrated.

No Regrets (Weidenfeld and Nicolson, £5.95, 227 pages) are the memoirs of Porchey, otherwise the sixth Earl of Carnarvon, and apart from the ducal price, a fine read they are. The Western Front, pig-sticking and polo, champagne on the Orient Express, the loss of his virginity to an actress with shoulder-length hair and a polar bear rug . . . that was *living*.

One of the best of the current commentators on eventing is Caroline Silver and her book, **Eventing: The Book of the Three Day Event** (Collins, £6.95, 176 pages) is tall, handsome and sprightly. The technical adviser was Lucinda Prior-Palmer. The **Art of Dressage** by Alois Podhajsky (Harrap, £4.25, 184 pages), *on the other hand, plods valiantly* but is authoritative: the author was a former director of the Spanish Riding School.

Grundy, the 1975 winner of the Epsom Derby, is now enjoying the fruits of life at the National Stud, Newmarket, but his exploits on the racecourse have been appropriately chronicled by Tim Fitzgeorge-Parker in **Grundy** (W. H. Allen, £3.95, 196 pages), the best chapter of which contains an extended tape-recorded account of the chestnut's career by Peter Walwyn, the most brilliant of present-day trainers.

Indeed, such was Grundy's *charisma that there is another* volume about him on the bookstalls. Christopher Hawkins's *The Race of the Century* (Allen and Unwin, £3.95, 159 pages) which charts the background to Grundy's epic, and ultimately successful, fight with Bustino in the King George VI and Queen Elizabeth Diamond Stakes at Ascot.

Horses and Their World, by Daphne Machin Goodall (David and Charles, £3.95, 166 pages) is an engaging potboiler saved by the scope and excellence of 158 pages of pictures. It should keep a lot of little girls quiet this Christmas.

Burgundy and bubbly

BY EDMUND PENNING-ROWSELL

Burgundy Vines and Wines by John Arlott and Christopher Fielden. Davis-Poynter, £10.00, 268 pages

The Wines of France by Cyril Ray. Allen Lane, £4.25, 205 pages

There are not many gaps on the wine bookshelf these days, but one has been for a comprehensive, up-to-date book on burgundy, written by someone with inside knowledge. For to the outsider there is no more difficult major wine region to describe and interpret. The vineyards are small and heavily parcellated among growers, each of whom makes his wine in his own way; while the merchant houses, usually modest compared with those of Bordeaux, have little direct contact with these growers, and are inclined to keep themselves to themselves. Burgundy is parochial. Another problem for a writer is the variety of wines stretching from Chablis to Beaujolais.

In Christopher Fielden we have an author who was until this year export director of a respected Beaune firm, and if this results in a certain reticence about growers and other merchants, he does provide the technical details of viticulture and wine-making in Burgundy more precisely than usual. The vinous history of the region is outlined concisely, with some ironic sides and measured enthusiasm that may here and elsewhere in the pages perhaps be attributed to John Arlott's experienced pen. The complexities of *appellation contrôlée* and labelling are clearly explained, followed by a wine journey from south to north, in which the AC wines of each commune are described and identified on maps. Finally there are tasting notes from the 1975 vintage backwards.

If there are deficiencies in this very useful work of reference, no doubt they are partly the result of the author's connection with the trade. For one would have liked more explanation of the varying character of wines from different communes, and even of individual *crus*. A few growers' names are given for each village, but generally marked as "well-known" or "most-important," and such are not necessarily the best, though the authors are right to be sceptical about domaine-bottling by growers whose forte ends with making the wine.

Cyril Ray's latest book aims to provide a compact region-by-region guide to the *appellation contrôlée* and *vin delimité de qualité supérieure* wines of France. In each section the wines are listed alphabetically not geographically, and each has an introduction in which the author picks out the wines he considers of special importance, and expresses his own views, for and against. Among the latter, for example, he writes curtly of the celebrated if somewhat obscure *vin jaune* of Château-Chalon. "I do not like the wine." He seems less at home in Burgundy than in Bordeaux, and so is inclined to rely on the views of others. He makes no pretence of having visited every area or tasted all the wines, and though essentially a reference book, it is illuminated by the author's sophisticated style and personality: somewhat idiosyncratic; as indeed was the late Morton Shand's *A Book of French Wines*, which this new work is designed to succeed. However its plan entails a certain dullness, and many of the entries are too brief to be of more than basic use. To dismiss, for example, Chevalier-Montrachet with "ranks with Bâtard-Montrachet and Bienvenue-Bâtard-Montrachet" is scarcely fair to one of the most celebrated white burgundies. Also there seems to be some confusion on the ACs of Alsace, whose wines he describes as Alsatian. It was the late André Simon who once told me firmly, "the dogs are Alsatian, the wine is Alsace."

Clipping along

BY STUART ALEXANDER

A new sailing book, **To Beat the Clippers** (Allen Lane, £6.95, 212 pages), by Alec Beilby is a behind-the-scenes look at the Financial Times Clipper Race, so called because it followed the route of the old clipper ships to the other side of the world, held last year but finished this February and involving the participants in a breathtaking 27,000 mile struggle against the clock with only one scheduled stop.

In the foreword Mr. Edward Heath, without whom it seems no modern English book connected with sailing is complete, says of the boats and crews, "None have received the public recognition due to them for their strenuous feats of skill and endurance."

This book goes some way to filling that omission and is written very much from the view of those who took part. The author's obviously lengthy conversations with skippers, crew members and organisers have borne fruit.

The illustrations are of a high standard and while boats and the sea are always rich hunting grounds for the dramatic lens, the balance of the informative and the more spectacular is admirably maintained with the colour shots adding to the already high quality of reproduction.

The narrative does not only concentrate on the progress of the race. Mr. Beilby has ignored the easy path of merely rehashing information from the logs of the yachts involved and instead broadens the canvas to take in surrounding events and the way the administrative problems were tackled.

He also draws on an account written by one of the passengers on the original record-breaking run of 69 days, achieved by the Patriarch in 1869, and supplements his commentary on the race with extracts from the tape-recorded de-briefing discussions held in both Sydney and London between some of the skippers and crew members, and one of the race organisers, Mr. Anthony Churchill.

If at times the account is a little parochial in a clubby sort of way this is more than compensated by the warmth of involvement. And leaving out the final 40 pages which set out the rules of the race and a glossary of terms for those with less nautical vocabularies, the progress of the plot is unfolded in a simple uncluttered manner and at an easy pace.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● AUTOMATION

Early warning of danger

EQUIPMENT *which can evaluate* potential hazards in chemical plant and alert managers that there is a threat has been demonstrated by the Insurance Technical Bureau.

Anticipator provides analysis through conventional monitors and has been developed in answer to the need for better surveillance underlined in the first report of the Health and Safety Commission's Advisory Committee on Major Hazards, issued last September. It indicated that there were a number of industrial installations in Britain that are potentially hazardous and recommended that the management of these plants "will have to demonstrate that *it possesses and uses* a selection of techniques for the recognition and surveillance of hazards appropriate to its particular problem."

ITB sponsored the development in pursuance of its aims. It was set up by leading insurance groups to provide advice on the likely bearing of technological development on insurance risks.

Dr. George Munday, one of ITB's research engineers was the principal inventor of the equipment which is so organised that *it will record only that data in* the plant which is relevant to the search for potential hazards and will recognise these far below what would constitute a danger level.

The information collected can be studied and interpreted and the causes of hazards thus revealed can be eliminated before there is a build-up to a danger level.

Apart from the obvious effects of installing Anticipator, there are possible economies in plant operation due to simplified maintenance and inspection, as well as oportunities to raise productivity.

Trials of the concept are in progress at Imperial College using a demonstration model coupled with a pilot process plant.

Primary R & D has thus been completed and ITB says it is ready to pass on the next stages of development to a commercial undertaking/s. The first Anticipator could be in and operating within two years, but a further £1m. will be needed to carry development to the status of full commercial application.

However, *installation of the* Anticipator on a full-scale plant would represent no more than 1 or 2 per cent. of total capital cost. Export potential is high.

The microprocessor used in the equipment is the extremely fast Miproc-16 on a single card from Plessey which can execute 3m. instructions a second and perform some important jobs 40 times faster than equivalent MOS technology 16-bit micros.

Insurance Technical Bureau, Albany House, Petty France, SW1H 9EA. 01-222 3104.

Automated darkroom

FOR THE busy picture editor and the photographic library manager with a need to produce dry prints quickly from 16 and 35 mm. negatives, the 277 enlarger printer from 3M may *provide an answer.*

This new machine is able to make a print from a negative in 24 seconds. About the size of a TV set, it is totally dry in operation, using Dry Silver paper. Half-tone prints or transparencies measuring 8½ x 12½ inches are made from 16 or 35 mm. negatives on reel or individualy mounted. The machine also accepts microfiche up to 8 x 7 inches. All negatives can be viewed on a 12 x 16 inch screen.

Standard range of magnification is 10.6 up to 23X, or down to 8.05 using an optional kit.

Details from 3M United Kingdom, Wigmore Street, London, W1A 1ET (01-486 5522).

● HANDLING

Speeds up container stripping

EARLIER THIS year a battery powered remote control pallet truck, the RCP 45, was intro*duced* by Total Mechanical Handling (Technical Page, April 13). Intended for stuffing and stripping containers, the truck is fitted to a standard fork lift truck, and controlled, via a cable, from the driver's seat.

Now the company has launched two sets of *attachments* which widen the scope of the remote-control truck by adding facilities for a rider. One set converts the basic truck into a pallet carrier for moving goods into store, the other into a special duty carrier.

To convert the unit into a pallet carrier, the remote control cable is disconnected and a control box plugged into the top of the truck. At the back of the truck a driver's platform, on two castors, is attached. Limited trunnion articulation at the platform's connecting *lugs* enables the unit to be reversed and also to work on uneven ground. The forks have a 5-inch lift and will carry two tons.

For use as a special carrier, a driver's platform incorporating *a counterweight and back rest is* fitted to the forks, a carrier frame is bolted to what was the back of the remote control truck, and controls similar to those on the parent truck are connected.

A variety of carriers can be fitted to the frame, such as hooks, clamps, thin bladed forks, etc., to take tote boxes, order-picking bins, bottle crates, or similar items. Again there is a 5-inch lift action, and the capacity is 1500 lb.

The pallet truck conversion *can be made in about two* minutes, and the carrier truck conversion takes about ten minutes. Truck speed is about 1 mph, and a fully charged battery will give about four hours continuous use.

The company says that using *an RCP 45 and a fork lift truck,* it is possible to strip up to eight ISO 40 feet containers/eight hour shift. The new attachments were asked for by the first RCP 45 customers to extend the versatility of the remote control truck.

Details from the maker at *Bridge Street, Leeds LS2 7QZ* (0532 448121).

● MACHINE TOOLS

Biggest boring tool in Europe

BUILT IN Poland, a Poreba deep hole boring and turning lathe which is believed to have the biggest capacity in Europe has been installed by Walter Somers at its Halesowen factory.

Costing over £¾m., and built to Somers' specification, the machine is described as having a unique ability to bore and/or turn, enabling it to be used for *boring cylinders, making drill* collars and marine and electrical shafting, and for heavy turning.

It can trepan bore up to 62½ feet in length, using cutting speeds from 200/250 ft. per min. and feed rates up to 0.005/0.008 per revolution (depending on the *type of material*). *Its range of* bores varies from 2.44 to 24.4 in. diameter and it can handle workpieces weighing up to 40 tons. Maximum diameter of swing is 98.42 in.

Main drive motor is 200 hp, and the machine is equipped with *a 120-hp rotating boring* tailstock. The company says even the most awkward shapes can be accommodated by keeping the workpiece stationary and rotating the boring bar.

For roughing, the machine can make maximum use of modern carbide techniques with high cutting speeds and feeds. For example, when machining low-carbon steels, speeds could be up to 400 ft./min. and feed rates up to 0.06 in./rev., with an average 1-in. depth of cut.

The *company* says that marine shafting, specifically for variable pitch propellors, accounts for a major slice of its order book, which is already full to the end of next year. With its other work in producing large components for the steel, shipbuilding, general heavy engineering, and offshore industries, for home and export orders, it is expected that the new Poreba lathe will be kept at full capacity.

More information from the company (a member of the Mitchell Somers Group) at Hayward Forge, Prospect Road, Halesowen, West Midlands B62 8DZ (021-550 4741).

● TRANSPORT

French trains on the right lines

BRITISH equipment originally designed to be fitted to trains travelling at up to 125 mph to check the tracks for faults is being adopted by French railways for use on the prestige services between Paris and Lyon at speeds up to 185 mph.

TGV 001 turbotrain operations are about to start and the instrument has been fitted to a truck recording coach to work with this unit. The scanner, a development by Integrated Photomatrix, can work at least six times faster *than equipment currently in general use*—limited to a monitoring speed of 20 mph and invented in the 1930s.

The concern of both British Rail and the SNCF is to maintain their tracks to the much finer tolerances required by the much higher speed of the Inter-City services and the APT and advanced *turbine train designs.*

The equipment is built around two opto-electronic camera units each of 256 × 1 elements which look at the gauge of the rail, one scanning the edges of one rail, illuminated in the viewing area by a powerful beam of light.

Extreme environmental operating conditions have dictated the use of particularly rugged housings and mountings. The information from the cameras is analysed by an on-board processor which shows track deviations to within one-fiftieth of an inch over each three inches of track.

In the equipment under test by British Rail, a third camera is used to measure and *report track curvature.*

Apart from detecting and recording, the equipment is so designed that it can be made to respond to selected tolerance levels and spray the track with a dye at any point or points where the levels have been exceeded. This means that track engineering teams can *find the sections with unacceptable defects* immediately.

Integrated Photomatrix, The Grove Trading Estate, Dorchester, Dorset. 0305 3673.

● CALCULATORS

A better view of Sinclair's

HARD ON the *heels* of the announcement that Sinclair is coming under the wings of the National Enterprises Board, the two new Oxford calculators released by the company yesterday show that at least one lesson has been learned.

The two models—replacing the previous Oxfords which were born of an abortive attempt to work with Gillette Corporation—now have a clearly visible green display rather than a red one somewhat dimly glimpsed *through a purple screen*, and a very simply laid-out keyboard with large keypads to fit the average male fingertip.

One model is a scientific unit with a variety of mathematical functions and the other a universal one, replacing the now-defunct 200. Both are battery/mains designs and prices are in the £12/£16 bracket. More on 0480 6464.

● SERVICES

Bidding for turnkey business

MARCOL Group is moving into the computer hardware field after 4½ years of active development in services.

A new subsidiary, Marcol Business Machines will market turnkey minicomputer systems.

Last July, Norwich Union acquired a 25% stake in Marcol and this backing has enabled Marcol to lay plans to capture for Britain, a share of the rapidly-expanding minicomputer market both in the U.K. and overseas.

Since it was set up in May 1972 Marcol has built up a client list of nearly 100 major organisations and an annual turnover for Marcol of over £1.5m.

Sales target in the first year for the new subsidiary is over £2m., initially through marketing three systems based on American-made components. But the longer-term aim is to incorporate British-made equipment in a direct challenge to overseas dominance of the minicomputer industry, Marcol asserts.

In order to reach the point where it is able to offer a totally British minicomputer system, Marcol intends eventually to set up its own manufacturing facility. Behind these moves is the possibility of attracting into Britain a portion of the £43m. earmarked by the EEC to assist in the development of a European minicomputer industry.

At the top end of the MBM equipment initially being offered is an all-DEC system—a PDP 11/70 with DEC peripherals and maintained directly by DEC.

The second is a DEC PDP 11/34 central processor with integrated peripherals by, for example, CDC or Memorex. This achieves the best cost/performance ratio in the medium-to-low end of the minicomputer market, Marcol believes.

The third system, the Marcol 480, is similar, but is based on the PDP 11 04 central processor.

Marcol Computer Services, 60 Queens Gardens, London, W.2. 01-402 0995.

● MATERIALS

Abrasive fleece for finishing

CLAIMED TO be a completely new British development, a nylon abrasive fleece for the *product finishing trades* has been introduced by Vileda Industrial, P.O. Box 3, Greetland, Halifax, West Yorks., HX4 8NJ (0422 74171), a member of the Carl Freudenberg Group, West Germany.

Called Fibral, the material is produced by a process developed by Vileda. Nylon non-woven fibres are cross-laid and bonded with phenol formaldehyde resin. The fleece is impregnated throughout with abrasive grit—aluminium oxide or silicon carbide, depending on the grade required.

High temperature curing results in controlled attrition and durability, and the company says this system of construction results in more even wear compared with abrasive fleeces produced by the conventional random-laid method.

Nine grades are available, ranging from coarse to ultra fine, supplied as hand pads, rolls and sheets, abrasive wheels, rollers and flap brushes. Applications include general engineering and metal fabrication woodworking, glass, and aerospace industries.

● DATA PROCESSING

Big payroll job to Centre-file

CENTRE-FILE, the computer bureau subsidiary of the National Westminster Bank, has won the largest contract of its kind to pro*vide weekly payroll services to* more than 1,000 Woolworth stores and 60,000 employees.

Until now Woolworth have been handling their payroll work on a local basis. However, one of the main disadvantages has been the impracticality of producing national statistics and other increasingly important management information which a company like Woolworth needs.

Using the company's own computer centre created problems of data transmission on a time-critical weekly payroll since data has to be sent to and from 1,000 stores spread throughout the United Kingdom. As a result of detailed investigation a bureau solution was chosen and the contract went to Centre-file because of its substantial payroll expertise and *national* distribution network based on National Westminster Bank branches.

Woolworth stores are divided geographically into four regions, and the Centre-file service will start in April, taking one region at a time with all stores being processed by the end of next year. In addition to preparing *the payroll the Centre-file service* will also provide management reports, regional statistics and personnel information.

Altogether, and including Centre-file (Northern), the company's Manchester based subsidiary, Centre-file is handling payroll work for some 1,500 organisations representing 500,000 employees.

Further from Centre-file on 01-405 8700.

More power for small IBM units

INCREASED disc storage capacity and performance previously available only on larger IBM System/370 processors, can now be attached to the Model 115-2 and 125-2 processors, IBM U.K. says.

The IBM 3344, a high-density direct access storage device, with a sealed, non-removable recording medium, can now be fitted to the two smaller and recently upgraded System/370 computers. The Model 115 memory can be extended from 256K to 384K bytes and that the 125 from 256K to either 384K or 512K bytes.

Increased disc power, combined with enlarged memories, *allows small system users to go* for database and data communications applications.

IBM on 01 935 6600.

Lower cost control in buildings

HONEYWELL, which has now sold some 1,500 of its Delta 2000 hard-wired control systems for large buildings and building complexes, has introduced a lower cost software-controlled version, Delta 1000.

In some buildings—a medium sized office block for example—the installation could cost as little as £30,000. According to Honeywell there are probably only 20 or so computerised installations of this kind in the U.K. In spite of the fact that some 2,000 buildings could profitably use one. Main impetus, says the company, should be the need to save fuel.

Some orders have already been placed, by Rank Xerox for a large multiple building complex in Gloucester, Massey Ferguson in Scotland, an unnamed London bank, and Vauxhall Motors in Dunstable.

Honeywell is particularly proud of the Vauxhall project, on which a total of £120,000 has been spent, but from which savings of £144,000 have been derived—a pay-back period of about 10 months. Controlled are 150 heaters, 78 extractor units, 81 lighting contractors, 23 door blowers and 48 fresh-air units.

The change to software control gives the company much more installation flexibility and also allows the operator to key in changes like stop and start times and temperature limits.

The equipment consists of data collection panels placed at appropriate points in the building connected over pair lines to a digital interrogation system. These are monitoring not only quantities such as temperature, air flow, damper *positions and so on,* but *also* intruder detection and fire detection systems. Separated buildings communicate digitally over dedicated phone lines. The operator has a diagrammatic slide-projector display of areas monitored.

The building goes through its daily routine, according to the programs selected including HVAC equipment programming, power (peak) demand monitoring, outdoor air control (optimised use of incoming air according to its thermal content), and lighting control. Programs are implemented by a microprocessor. Annual savings for these categories per 1,000 square feet that are typical, says Honeywell, are £30-£50, £10-£50, £20-50 and up to £30, respectively. More from Commercial Division, Charles Square, Bracknell, Berks. (0344 24555).

● PROCESSING

Removes the impurities

A MAJOR British achievement in food technology has finally won approval by the U.S. Food and Drug Administration, opening a vast new market not only in North America but also in many other countries where FDA approval is an essential prerequisite to supplying the U.S. market.

The invention, the Talofloc process, developed by Tate and Lyle Engineering, which makes possible substantial savings of time and money in sugar refining, has been subjected to five years' stringent testing by the *American authorities.*

Approval was required for a chemical, dimethyl dialkyl ammonium chloride, which is added to refinery raw sugar remelt liquors whereby anionic high molecular weight colour and other impurities are precipitated and subsequently removed as a black flotation scum.

The process can replace the traditional method of phosphation and filtering through beds of activated charcoal. It com*bines clarification and decolorisa*tion into a single step—colour and other impurities float to the surface of the liquor, and the entire process is complete in less than ten minutes.

Since Talofloc was put on the market some five years ago it is believed that no major sugar refinery has been built (outside the FDA area of influence) which does not use it. Because of the impressive advantages of the process, 46 new refineries in 24 countries use it in the produc*tion of 12 per cent. of the world's* total refined cane sugar.

Licences for the plant, comprising a single fee related to the production capacity (for which the customer gets full plans and installation assist*ance*), together with royalties on the process chemicals, are now earning over £1m. a year, and Tate and Lyle consider that the market potential must now be several times this amount.

Production cost savings with Talofloc range from 50 per cent., when compared with the refining process using phosphoric acid and lime, to 10 per cent. compared with the most efficient conventional process using chalk and activated charcoal filtration —as used in Tate and Lyle's U.K. *refineries. An eight-ton/hr* Talofloc pilot and demonstration plant is running at the Thames sugar refinery, and the process is currently under consideration for installation at Tate and Lyle's refineries throughout the world as the present plant comes up for renewal.

The process has many advantages. It is cheap and quick to instal. In some cases, in established refineries, only two dosing pumps were necessary to convert the plant to the Talofloc system. Where a refinery is contemplating the expenditure of a large capital sum to increase capacity it may be possible to double the clarification and decolorisation throughput with almost no capital expenditure, says Tate and Lyle.

Capital outlay for new comparable production capacity is reduced by 75 per cent., and the process time is cut from six hours to under one hour. No extra heating is required—the heat used to prepare the raw *sugar* saturated solution is sufficient.

The plant requires 80 per cent. less space than equivalent capacity conventional refineries, and the manpower requirement is reduced — usually to one operator, especially if a Talo controller is installed to provide automatic programming and control of the process.

Using Talofloc, the refined sugar can be produced cheaply and easily at source—which is of particular advantage to the developing countries which grow cane, since it removes the need to transport sugar to central refining complexes and back again to home markets. In addition, the cost of refining can be regulated according to the quality of the input raw sugar, which varies during the harvest season.

A further invention, the Talodura process, consists of an additive which is used to treat the thick syrup from the evaporator station of a raw sugar *factory. Talodura removes* the great majority of the insoluble impurities, leading to an improvement in the quality of the sugar produced. Tate and Lyle has also developed a mechanical clarifier to remove the scum produced in the Talofloc process.

This technology is now being applied in a number of fields not directly concerned with the manufacture of sugar. Plants for the treatment and recovery of sugar from waste confectionery and from citrus waste have *already been built,* and a *major* development programme is nearing completion concerning the treatment of effluent from fruit, vegetable, meat and fish-processing plants.

Further information is available from Tate and Lyle Engineering, Cosmos House, Bromley Common, Bromley, Kent BR2 9NA (01-464 6356).

Airport's goods flow analysed

MARK 3 network information service, operated by General Electric Company U.S. and marketed by Honeywell in Europe is now used by British Airports Authority to analyse its goods business.

BAA's sales development group, which previously needed up *to a month to process* the figures manually—some 400 sets —can now complete in two days, using Honeywell's TABOL financial reporting package.

Figures are entered on the Mark 3 terminals and are processed by big computers in the U.S. over transatlantic telephone lines. TABOL formats and consolidates the figures and prints a range of reports showing performance against budget, against figures achieved in the same period of the previous *year, stock movement,* average spending per transaction and average revenues per square foot.

As a result the Authority has more time to examine trading patterns, monitor concessionaire performance, forecast demand and assess profitability. Great West Road, Brentford, Middx. (01-568 9191).

Advertising and...

CDP "no" to union

BY ANTONY THORNCROFT

THE attempt by SLADE, the printing union, to sign up new members among advertising agency personnel received an astonishing rebuff yesterday when in a poll of the staff of agency Collett Dickenson Pearce, 171 employees voted against joining the union and only one vote was cast in favour.

All told, 180 out of the 200 entitled to vote took part in the exercise which followed a presentation to CDP staff by SLADE officials on Tuesday night.

In theory the vote changes nothing—SLADE is still threatening to black all the agency's print copy from December 2nd unless CDP employees join up, but the management's decision to stand aside and let its work force choose whether or not join the union has produced big moral victory for the sta[tus] quo.

Since SLADE dropped bombshell last week the adv[er]tising industry has rallied arou[nd] CDP. All the other top agencies have agreed to pl[ace] CDP's print on behalf of agency if it is blacked, and clients are also holding fast.

The hope of the advertis[ing] world now is that the TUC pr[...] committee, observing democratic wishes of agen[cy] staff, will try to restr[ain] SLADE, which is basically try[ing] to grow with agency person[nel] because it feels threatened e[lse]where by the other print unio[ns] with much larger membersh[ip].

● BMW, the car company, has *decided to go à la carte.* In an important move for the advertising industry it is not appointing another agency to replace Primary Contact; instead it is using a creative consultancy and a media buying shop.

When an advertiser which anticipates spending £800,000 next year goes outside the traditional agency network it gives a big fillip to the claims of the independents that they are destined to seize a sizeable part of total advertising expenditure. In this case French Lloyd handle the creative part, Chris Ingram Associates media planning and buy[ing]. Gideon Lloyd, managing direc[tor] of French Lloyd, has hand[led] BMW's below-the-line work the past four years.

● TBWA is a new Cadb[ury] agency, joining Y and R, [...] and Burnetts. Its first acco[unt] will be Murray Mints, which [will] spend £250,000 in 1977, al[ong] with other brands.

OUTDOOR ROW

Enter the Bureau

BY ANTONY THORNCROFT

NEXT week sees the launch of the Poster Audit Bureau which is destined to start work in January. The purpose of the Bureau is simple—a team of inspectors in the field will ensure that advertisers are getting what they pay for when they buy a short-term poster campaign.

It is a belated result of the Madrid conference of the British poster industry two years ago which reckoned that posters were now a booming industry and advertisers deserved a better deal.

But although the outdoor industry is small, with the standard sites generating around £17.5m. of advertising a year, and the *super sites,* bus sides, station posters, Underground, etc., bringing the total to nearer £30m., it generates more alarms and excursions than the larger media, so that before it starts the Audit Bureau *faces problems.*

The main opposition comes from the specialist poster companies that have thrived in the last couple of years. They started to flourish as the Advertising Agencies Poster Bureau, which was supposed to look after the buying interests of agencies, broke up, and now work for agencies, and some advertisers, direct, offering an inspection service and specialist buying advice. They see the PAB as a threat to their relevance.

Led by Poster Media, which numbers Saatchi-Saatchi and *Bates among its clients,* the specialists are worried about disclosing their advertising sites to the inspectors, and, perhaps more to the point, wonder if the part-time housewives that research company Gordon-Simmons will be putting on the assignment, know their posters. In any case most of the specialists will try to continue, disregarding the new service.

But the PAB, which is likely to be headed by Simon Copeland, has some powerful friends, most notably British Posters. British Posters was set up by a group of the leading poster contractors to sell many of their sites as packages, and it has been very successful, raising sales from £1.6m. in 1972 to over £6.1m. this year.

The best testimonial for British Posters is the weight of new advertisers it has attracted, most obviously in the food industry. This year British Posters claims a 40 per cent. growth, but food advertisers passed on 80 per cent. more business, and now account for 37 per cent. of the total. Much of the expansions of British Posters has co[me] from its owner's releasing m[ore] sites—up from 32,100 to 75[...] but a procedure wher[eby] agencies can book advertis[ing] outdoor through selected pa[ck]ages has obviously transfor[med] prospects for posters. Ano[ther] ally for the PAB is Independ[ent] Posters, which offers a comp[eti]tive service to British Poster[s].

The IPA and most of agencies are also inclined to [give] the Bureau a try, even tho[ugh] they *are paying for it* throu[gh] a 0.5 per cent. levy on th[eir] spending. Mike Yershon of C[...] whose investment in outdoor [has] grown from £600,000 to £5m [in] four years, wants it to succe[ed] but is keeping options open [as] far as Portland Outdoor [is] concerned.

Portland is the company [set] up by CDP and J. Walter Tho[mp]son to look after the outd[oor] interests of just four compan[ies], Gallahers, Whitbread, Guin[ness] and Kelloggs, who spend aro[und] *£4.5m., and are the biggest* [...] of the long-term ('til coun[ter]manded) poster sites. These [...] to tie up a majority of all [...] door displays but now acco[unt] for 40 per cent. of the total. [The] company has a team from [...] plan inspecting its sites and keep it going for a bit to [see] how the PAB works out. CDP's short term campaigns [will] be inspected by the Bureau.

The specialists — Poster [...] Poster Publicity, Poster Me[dia], United Posters, plus Portlan[d] *have thrived recently, and* [...] one of the new developments [...] outdoor. More changes are [...] the way for the PAB has plans underway to research door sites for size and nu[mber] of the audience seeing them [in] line with other advertising me[dia]. *There is also in the backgrou[nd]* the computerised listing of sites, pioneered by British Tr[ans]port Advertising through OATS scheme, which enables [a]gency to see at a glance the outdoor opportunities av[ail]able in the U.K.

هكذا من الاصل

The Marketing Scene

Move jobs to earn

AFTER a period when the accountants made all the running the marketing man is coming back into his own. This is one of the main conclusions from Lloyd Executive Selection's third annual Marketing Personnel Survey which is based on information supplied by over 100 U.K. companies.

In the past year the companies have boosted their recruitment of marketing personnel by 2.7 per cent., as against a rise of only 0.3 per cent. for financial staff, and a fifth of the companies expect to add more marketeers in the next 12 months, especially on the exports side.

But in cash terms marketing personnel have not done as well as accountants in the past four years, boosting their incomes an average 64 per cent. as against 79 per cent. Both are below the rise of 90.8 per cent. in average earnings. In real terms this means that a new marketing recruit, invariably a graduate, can expect £2,800, still higher than most of his contemporaries.

Within a year this should rise to £3,500 at assistant product manager level, moving to £5,250 as product manager, with 47 per cent. also having a car. But by his late twenties competition for the group product manager's job—average salary £6,275, for marketing manager (£7,208), and marketing board director, £11,000—is fierce.

To improve his financial position a marketing executive has to move jobs, and the cut-back in recruitment in recent years means that there is a dearth of young marketing personnel in their mid-twenties. So a 23-year-old assistant brand manager gains on average almost £700, to £3,252, on moving companies, while at brand manager level the jump is from £3,050 to £3,789.

THE MIDDLE EAST

Making the mirages profitable

BY ANTONY THORNCROFT, MARKETING EDITOR

AMONG THE hostages held during last week's shoot-out in an Amman hotel were two advertising executives from Lintas Overseas—plus five clients. This just about sums up the Middle East for the British marketing and advertising industry—an extremely tricky proposition but one that offers tremendous potential.

After all certain Middle Eastern countries, in particular Saudi Arabia, Iran, and the Gulf States, are experiencing one of the quickest enrichments in world history, and the demand for goods and services is almost insatiable.

Also this has traditionally been an area of British interest and contacts so, not surprisingly, a great deal of U.K. marketing attention is being put there, with very encouraging results. Unilever, for example, is reporting an increase in sales of products like Lux, Sunsilk shampoo, Rexona and Birds Eye, of around 35 per cent.

And yet, a year ago, it looked as if the marketing development of the area would be frozen by the Lebanese Civil War. Beirut was to the Middle East in advertising terms very much what London is to the U.K. It housed virtually all the agencies, as well as the production facilities. It was also the centre of one of the major advertising media—the Pan-Arab magazines, which gave umbrella coverage of all Middle Eastern markets.

In the event the disappearance of Beirut has not been a great handicap. British agencies have found by experience that establishing offices in the Middle East is a very costly, and rather unnecessary, occupation. It works out at a basic $80,000 a year to keep just one man, plus family, on the ground, so it is unlikely that Young and Rubicam will hurry back to Beirut, while McCann-Erickson has left Bahrein in the hands of a national. The more favoured alternative is to cover the area from London through frequent visits, while working with a local agency, and this has worked well in the past year.

The leading Middle Eastern agency group is Intermarkets, which has annual billings in excess of £3m. Intermarkets claims to have gained from being forced out of Beirut, since it already had offices operating in Kuwait, Bahrein and Dubai (with another opening in Cairo in January), and was able to continue servicing the area while picking up business from the disbanded Beirut agencies, who could no longer offer clients any Middle Eastern bases.

To-day Intermarkets numbers among its clients Rowntree-Mackintosh, Gillette, Johnson and Johnson, Unilever, Polaroid, and British Airways. It operates either directly with advertisers or else works through a U.K. or U.S. agency. This is its relationship with Lintas Overseas, which has billings worth around 2.5m. U.S. dollars in the Middle East, or 35 per cent of its total, as against just 10 per cent five years ago.

In the main the creative work is prepared in London and then handled tactically by the men on the spot. Obviously the disappearance of Beirut, with its sixty odd agencies, was a shock, but the constantly improving communications have made good the practical difficulties. British agencies now think that Beirut was an intellectual hindrance, hiding all the variations between the Middle East states.

For different creative and media approaches have to be devised for the various states. Iran is quite apart from the Arab countries which divide up into oil rich states, controlled economy states, and undeveloped states.

Saudi Arabia, for example, is incredibly rich but so conservative in its Government dominated attitudes that it poses extraordinary marketing problems. For a start there is no commercial television. To overcome this difficulty advertisers use Dubai or Bahrain Television, which cover the east and centre of Saudi Arabia. This indirect approach has worked well enough for Toyota; its local Saudi dealer ran out of cars. Print is hardly an alternative medium, because the Saudis are not great readers, or readers at all, so other marketing innovations are devised.

Intermarkets can point to a promotion for Ceylon Tea which involved giving away hundreds of thousands of prayers to pilgrims on their way to Mecca, with an advertisement for the Tea on the back. Lintas has developed a give away magazine which is handed out in the retail stores. It is also possible, with Government encouragement, to make gifts of your products during Ramadan, a kind of spiritual sampling. Then there is the vast illuminated sign in the Jeddah business centre which carries animated commercials for products like tyres and soft drinks, and is a great attraction for the entertainment starved locals.

For this is one of the great aids in selling to the Middle East. The population has very few alternatives to television watching and this, combined with the great wealth and the desire to try western goods, means that advertising can be very effective. The main problem is getting the goods past the mass of ships waiting to off-load their cargoes and into the country.

In addition where there is commercial television it is very cheap—30 seconds on Kuwait TV costs around £130; on Egyptian about the same. In Iraq and Syria it is even cheaper, but the networks, which like all in the Middle East outside of Lebanon are Government controlled, feel little need to carry commercials. Indeed Iraq and Syria are barely open for western consumer goods, although Syria is becoming more welcoming. Egypt, on the other hand, with its vast population, is regarded as the market with the most potential, always on the verge of a boom which has yet to come. But it is confidently forecast for 1977.

Two Lintas campaigns in the Middle East—Polaroid cameras and Sunsilk shampoo.

Another reason for relying on local advice when preparing TV commercials is to ensure that the creative approach is appropriate—anything at all saucy is out, but so is violence. One British confectionery product had to change a light-hearted commercial featuring gun carrying cowboys.

As an alternative to TV, newspapers carry advertisements, but their readership is extremely low. An effective, but more costly, way of buying print is to pay for articles to be run in the Press in the guise of editorials—an accepted practice in the Middle East. Once again the Press tends to be Government controlled so it does not depend financially on advertising revenue, making it a very cheap medium. Advertising in the pan-Arab magazines, much patronised by cigarette manufacturers banned from television, is more expensive, but the reappearance of these popular Beirut-based journals in recent weeks is a relief to all advertisers in the region.

For radio the trans-national programmes on the Middle East channel of Radio Monte Carlo, at £40 for 30 seconds, is a popular choice, especially for the Japanese who rival British manufacturers in meeting consumer needs in the area. Cinema is used in states, like Libya and Oman, where there is no commercial television (Qatar goes commercial on January 1), while much use is made of posters throughout the Middle East, decorating the boring desert roads where the sheiks try out their new racers.

Local agencies, including Intermarkets, will return to the Lebanon within six months, and the city should attract back much of its advertising talent which spread around the Arab world. By making British and American agenices work harder in the area the civil war has had some marketing benefits. U.K. companies now know the Middle East more intimately and realise the need for local knowledge—long distance market research, for example, is usually useless because there is little basic data, no qualified questioners, and the respondents answer as they please. In future research may be concentrated on controllable group discussions, and retail auditing to ensure that the goods are available — the biggest marketing task.

Advertising is basically simple. There is a collection of markets with enormous surplus cash, limited in numbers so that quite small advertising budgets can be very effective through artificially cheap media. A £50,000 budget can buy an awful lot of advertising, although production costs are high now that different approaches are prepared for the different states.

Fitch has oriental designs

IN Doha, on the Persian Gulf, the Middle East's first hypermarket is taking shape. It covers 80,000 square feet, has space for 300 cars, and its single-storey structure is cruciform shaped. This is to provide separate entrances for the various types of customer, including a private entrance for the Sheikh.

The more liberated Arab women will have their own shopping area apart from the men; the less liberated will order their goods outside and have the merchandise brought to them. For the European community the Doha Centre will provide out-of-town shopping opportunities on a par with Plymouth.

The Centre also has one extra facility palpably lacking in most British super-stores—the end walls of the four wings can be knocked down and the wings extended if there is a demand for more space.

The Doha Centre, which will be run by Jashammal, the biggest retailers in the Gulf, is just the latest in a stream of commissions to come the way of Fitch and Co., the London design company. Fitch got involved with the Middle East through revamping the London flats of oil sheikhs, at up to £75,000 a project. From there it was a quick jet to the Gulf, and more recently Saudi Arabia, to design everything from banks, showrooms and offices to the Dubai County Club. Since opening its own office in Dubai two years ago business has poured in.

Now the Middle East accounts for around a third of Fitch's £600,000 turnover, and the proportion could grow more rapidly as the company gets involved in what it is best known for—retail design. Rodney Fitch, just back from another trip, reckons that the traditional souks must quickly disappear under the pressure of the new wealth. "Car parking in the centre of Jeddah is the worst in the world. The only solution is out-of-town centres."

While the negotiations continue Fitch and Co. get on with work nearer home. It has just designed Whistles, an 8,000 square feet prototype newsagents in Southport, owned by the Liverpool Post. The store is a converted Boots, but sells everything from books to soft ice-cream. It has been successful enough in a month to encourage more conversions when sites become available.

THE FINANCIAL TIMES

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THURSDAY, NOVEMBER 25, 1976

Busy session ahead

THERE ARE no major surprises in the Queen's Speech, which sets out the Government's legislative programme for the new session of Parliament. The session will be dominated by work on the Bill—due to be published next week—which will provide a measure of devolution for Scotland and Wales. There are major differences of opinion about this legislation within the two main political parties. Although the Government may well be able to get legislation of some sort eventually passed with the support of those Conservatives who are strongly in favour of devolution, it will have its work cut out to ensure that its proposals are not altered out of recognition during the Committee stage, which will provide ample opportunity for the use of spoiling tactics.

The same may be true though to a lesser extent, of the bill to nationalise the shipbuilding and aircraft industries. The Lords opposed the section of the bill which included the ship-repairers, and the Government is putting the whole bill forward again at once. The Lords no longer have power to delay it for more than a short time, but it is not yet certain that the Opposition in the Commons cannot still find means of holding it up and disrupting the legislative programme.

No wealth tax

It may well be, in fact, that some of the measures outlined yesterday will have to be dropped through pressure of time, even if the Government with its tiny majority survives the Parliamentary session now beginning. The idea of a Wealth Tax, so dear to the Left-wing of the Labour Party, has already been dropped from the list; and, although the Government will claim that this is due mainly to the pressure of more urgent legislation, it is almost certainly the case that a major reason for postponing it is that so divisive a measure—there is no firm agreement on the subject even inside the Labour Party—is hardly suited to the economic circumstances in which we find ourselves.

For the most important and immediate of the measures to be taken by the Government is one not mentioned in the Queen's Speech at all, the economic package that the Government will have to introduce within the next few weeks to satisfy the conditions laid down by the International Monetary Fund for a $3.9bn. loan. The Prime Minister was understandably unwilling yesterday to be drawn on this matter, which will be discussed more fully in Cabinet to-day, but he did let fall three remarks bearing on the economic situation. First, unemployment was likely to go on rising for some time; second, there was little hope of a reduction in the rate of inflation within the next few months; third, some new form of voluntary wage restraint would have to be devised for next summer when the present stage runs out.

Unemployment

The need for a further period of wage restraint more flexible than the present one is now fairly generally recognised, and the CBI and TUC are to discuss the possibilities with one another and the Government as soon as the package is out of the way. The fact that the rate of inflation is unlikely to fall for some time to come is a direct consequence of the fall in the sterling exchange rate, but it is not clear how widely this is appreciated; real living standards for most people will be depressed further, and wage control will come under a strain that may be only partly relieved by the realisation that excessive wage claims lead to higher unemployment. It is the Prime Minister's warning that unemployment is likely to rise further before it levels out, however, which may come as the greatest shock to the majority of workers and which, together with the coming package, may further increase the political pressure on a Government which is being forced to push through necessary but unpopular measures with a tiny majority.

The cost of early retirement

WHEN PENSIONS are funded by the contributions of those who eventually draw them, plus as much again or more put in by employers, then the retirement age is legitimately a matter of collective bargaining. But when the funding is largely or entirely based on the contributions of the younger, working population the date of retirement must be a political decision. These principles should serve as a guide to the rapidly moving events on the pensions front this week, with first the miners and then the steel workers putting in claims for retirement at 60 and the Government announcing, in the Queen's Speech, that many people on occupational pensions will no longer be able to draw unemployment benefit if they take their pensions at 60.

Under the terms of the Social Contract the miners and steelworkers are perfectly entitled to claim higher pensions, or earlier retirement, on a condition of the [illegible]—provided only that the settlement of such a claim is [illegible] against any wage increase within the same year. If the employers' contribution is also set against a wage increase the net cost of future pensions could theoretically be zero although of course in practice the sudden loss of some 20,000 workers near the age of 60 and the need to recruit and train younger replacements would be very expensive for the Coal Board.

'Deferred pay'

Yet the current trade union fashion for concentrating on pensions is understandable. A long stretch of incomes policies, with very little to bargain about, has coincided with the conclusion of a period of reflection about "deferred pay." The high rate of unemployment has led to a facile assumption that the departure of older workers will mean that as many jobs will automatically be available for younger ones. Worry about inflation has concentrated many trade union minds on the prospects for their members in old age, in a country in which for all the recent increases in the rate the State pension is far from over-generous.

If these were the only elements in the equation the new pensions demands could be met with some equanimity. The trouble is that the early retirement sought by the miners and steelworkers could not be made available at a nil cost: the trade unions have not shown a willingness to defer present income to that extent. A great deal depends on the fine points in the arithmetic of such arguments, but at the end of the day the Boards of these two nationalised industries have to defend consumers, taxpayers and the economy as a whole against an unacceptable increase in the cost of labour from whatever source it comes, wages, reduced working hours, or earlier retirement. It is at this point that the Government's difficulties begin.

Intent

The new demands have come, ironically, at the same time as a declaration of intent by the Government to make retirement at 60 less attractive for many occupational pensioners. As matters stand such pensioners can collect unemployment benefit for one year while waiting for their 65th birthdays and the arrival of the state pension: during the entire period they can be classified as unemployed and thus relieved of the cost of the national insurance stamp that ensures the state pension at a maximum level.

The Government now proposes to change the rules to claw back some or all of the unemployment benefit. Among those most directly affected would be many Civil Service pensioners who enjoy retirement at 60 and index-linked pensions. It is hardly surprising that the loudest protests have come from their unions. The proposal will run into stiff opposition, but the Government should persevere. It might even make the miners and steelworkers think a little longer about their own claims.

THE OBSERVER

ESTABLISHED 1791

A stetson-hatted liberal to the rescue

By STEWART FLEMING, New York, November 24

WHEN the questions about *The Observer* began pouring in by the middle of the morning, Mr. Robert O. Anderson, chairman of Atlantic Richfield, was half way across the country on a flight from New York to his 1m. acre ranch in New Mexico. He had breakfasted with Mr. Frank Stanton, a director of Arco, and former president and still a director of CBS, the American television network.

So there was a host of unanswered questions about the announcement that the oil company which this well known liberal intellectual had built, had acquired The Observer. How firm a commitment had the company entered into, over what period of time, involving how much money? Above all, what could have brought a big U.S. oil company into such a deal?

"If you look at Arco as just *another oil company you cannot* really understand it," was how how one director put it. "The length and shadow of one man," Mr. Anderson suggested, was the key to understanding the company—and the decison to buy *The Observer*. People who know him well say that they are not surprised by his intervention in the fortunes of *The Observer* "I cannot put him on a couch and tell you what motivates him," one colleague said, adding that he was in no doubt that he is concerned about the shrinking of the free press and felt that it could not afford to lose another important newspaper.

Many years Arco has presented itself to the world as a socially conscious oil company. Other oil companies have done so too, but Arco's friends would claim that its commitment goes back a long way and is rooted in Mr. Anderson's own beliefs.

Mr. Anderson was born in 1917, the son of a Chicago banker, but not apparently a particularly wealthy one. He studied philosophy at Chicago University, and perhaps it was here, as some suggest, that he developed his interest in the humanities. In 1939, before graduating, he worked as a pipeline maintenance man in the south-west of the U.S. When he left university, he moved to New Mexico and became involved in buying up and renovating small oil companies.

Mr. Robert O. Anderson, chairman of Arco, which has acquired the Observer.

One of the companies he was involved with, Hondo Oil and Gas, was bought by Atlantic Refining Company, and Mr. Anderson became Atlantic's biggest shareholder through the $35m. deal. Atlantic expanded quickly and in 1965 merged with Richfield Oil—the fourth largest oil marketer in the fast growing markets on the west coast of the U.S.

As a domestic company, Arco lacked the overseas reserves of the oil majors, but in 1968 became the first company to strike oil on Alaska's huge Prudhoe Bay Field, the biggest oilfield ever discovered in North America. With that find Arco joined the oil majors, and last year it had sales of $7.7bn. and net income of $350m.

Like the other major U.S. oil companies it has been diversifying into chemicals and other forms of energy. Perhaps its most controversial move came earlier this year when it bid for the third largest U.S. copper company, Anaconda, a company which also has substantial uranium reserves. Anti-trust authorities are aggressively opposing the merger.

Looked at from the outside, Arco's record as an oil company and Mr. Anderson's own business career would appear to be no more unusual than those of many a conventional oil millionaire. In themselves they offer no clear explanation for Arco (as opposed to, say, Mr. Anderson's private interests) buying control of *The Observer*.

Associates of Mr. Anderson maintain strongly however that his own humanist interests pervade the company. They point to the emphasis placed on corporate responsibility, as evidenced for example, by the number of jobs given to women and minorities. In 1975 members of minorities represented 14 per cent. of the payroll, and 6 per cent. of this number were in management positions. Women accounted for nearly 17 per cent. of the payroll and 7.4 per cent. of the professiona[l] managerial staff.

Beyond this, of course, ther[e] are Mr. Anderson's own inter[ests] in the arts and humaniti[es], and in particular his spon[sorship] of the Aspen Institute described by one executive a[s] the "pre-eminent intellectua[l] watering hole in the country."

Mr. Anderson's interests ar[e] described by associates as bein[g] liberal and humanist in th[e] broadest sense and dedicated t[o] individual liberty. "I have neve[r] heard him talk about the Eas[t-]West conflict in this context," one associate remarked whe[n] asked whether his humanis[m] was essentially political or no[t].

He also emphasised that "th[e] guy works with black ink," an[d] clearly intends to try to mak[e] The Observer profitable.

Arco's legal commitment [is] not apparently long-term although the Board which di[s]cussed and approved the pr[o]posal at a meeting on Monda[y] is said to see a "moral commi[t]ment" to the paper, accordin[g] to one director. Until mor[e] details of the agreement ar[e] known it is hardly surprising [that] sceptics question this strang[e] acquisition and wonder ho[w] deep the commitment is. As ye[t] there is not enough evidence t[o] judge these issues.

The run-down on the rest of the field

BY KEVIN DONE

"NOTHING surprises me any more about this deal," a rather jaded executive from News International said last week, as yet another delay began to hamper Mr. Rupert Murdoch's progress towards making a deal with *The Observer*. But even he must have been at least a little surprised at the manner in which *The Observer* finally landed yesterday in the lap of one of the largest U.S. oil corporations.

For many months *The Observer* management and trustees have been searching the world for an alliance that would maintain the troubled Sunday newspaper in its traditions of independence

A year ago when the paper went through a traumatic period of changing editors and pruning its staff, the trustees already knew clearly that *The Observer's* future was doubtful. At successive lunches Lord Goodman, the chairman of the trustees, made it clear to candidates for the editor's chair just how bad the financial circumstances were. Some applicants came away with the impression that some trustees would even prefer a private funeral for the paper, to the prospect of bringing in outsiders in the terminal stage.

Informal contacts were made with newspaper groups and individuals in many parts of the Commonwealth and North America with a view to setting up a rescue syndicate. No firm proposal emerged.

But the pressures on *The Observer* increased as circulation fell and the Government refused to meet the cost of last year's redundancies.

So the trustees turned for help to Mr. Rupert Murdoch and his Australian News International group—owners of *The Sun* and *News of the World*.

On October 21 negotiations were abruptly broken off by Mr. Murdoch. News of his involvement was leaked to the Press—rumours have been rife ever since about the origin and reasons for the leak and how it was motivated—but Mr. Murdoch said he was retiring from the fray: "In view of the deliberate and orchestrated attempt to build this into a controversy News International is no longer interested."

His withdrawal was dismissed as merely tactical by fascinated spectators in newsrooms up and down Fleet Street, but whatever the reasoning, news that *The Observer* was up for offer suddenly had caps flying into the ring from all points of the globe, many from bizarre origins. But they were encouraged by the statement from Lord Goodman: "We shall consider anything we believe to be in the interests of the paper."

And so they lined up, with the favourite changing almost daily and some scratching before ever reaching the starting post. From Arab sources came no fewer than four approaches, from Kuwait, the Lebanon, Libya and Saudi Arabia. Ever true to their independence, the trustees felt that any deal involving Arab money might prejudice their freedom to comment on Middle East conflicts, but one proposal was given serious attention. It came from Mr. Woodrow Wyatt, the former Labour MP and present chairman of the Horserace Totalisator Board.

His package deal was backed by money from Saudi Arabian business sources. Mr. Wyatt, once owner of a group of weekly papers in the West Country, now has his main interests in printing in the shape of WW Web Offset in Banbury. Speculation was stoked up by the fact that this company prints the weekly news magazine on the Middle East, *Al-Hawadess*.

Mr. Wyatt countered enquiring reporters with the words: "This is a recorded message. I have no interest in *The Observer* and I have nothing at all to say about it." It would be repeated for as long as the reporter wanted to listen. No bid emerged from this quarter and as Mr. Wyatt wrote in the *Sunday Times* this month: "I have always wanted to own or edit a great newspaper. Vast presses clanking through the night; scoops and exhortations for a malleable nation, making and breaking Ministers and Governments. . . . What romantic fun. Alas, I shall never have it."

Out of the blue from Hong Kong came a definite interest from Miss Sally Aw Sian, a newspaper publisher in the Far East, who has started a series of papers for Chinese emigrés in North America and Britain. Her small empire was built up originally by the Aw brothers, including her father Aw Boon Aw. They turned a business based on Tiger Balm, a cure-all prized by many Chinese, into an international conglomerate.

In London she was represented by her consultant, Mr. Norman Barrymaine, a former Daily Express diplomatic correspondent and a prisoner of the Chinese during the cultural revolution. When yet another leak disclosed Miss Aw's interest, she appeared to withdraw shyly from the battle under the smokescreen of a denial of interest by her Hong Kong company, Sing Tao Newspapers. In fact the company never had been involved, as the approach was a personal one from Miss Aw.

Her interest rather diminished after she had received details of the paper's financial circumstances; she clearly felt that the risks could not be borne alone. A search for a third party to join her and the Observer Trust in a partnership scheme proved abortive, but her interest was taken very seriously by *The Observer*. The same could not be said for interest shown early in the hunt by Mr. Robert Maxwell of Pergamon Press. He telephoned *The Observer* to tell the paper to contact him when it needed his help. "He will not be rung," was the reaction of one member of *The Observer* staff.

Sir James Goldsmith, chairman of Cavenham Foods and of Slater Walker, came much closer to owning *The Observer* than many rivals and went to some lengths to woo the editorial staff by meeting them to discuss the paper's future. His interest faded when difficulties arose over the question of *The Observer* presses which currently stand idle six days a week. Some criticism was also expressed by trustees of his personal style. But Sir James did provide detailed proposals for a takeover.

Late into the race came Mis[s] Olga Deterding, who in her fir[st] Press release described herse[lf] as "hieress (sic) daughter [of] Shell's co-founder Sir Hen[ri] Deterding." She added tha[t] "What *The Observer* needs [is] backing like it had from th[e] Astors," and she declared tha[t] she had spent her life in clos[e] association with journalists.

She appeared to feel tha[t] there was a conspiracy to pla[y] her "as a joker in the pack" of bidders but went to som[e] lengths to emphasise her seriou[s]ness.

But in the end the real co[n]test revolved around M[r.] Murdoch; Mr. Vere Harm[s]worth's Associated Newspaper[s] publishers of the *Daily Ma[il]* and Atlantic Richfield. *Th[e] Observer* trustees were close t[o] a deal with both newspape[r] groups which had offered simila[r] deals. Mr. Harmsworth used hi[s] own papers the *London Evenin[g] News* and the *Daily Mail* t[o] mount his publicity campaig[n] and keep his name before th[e] public and the trustees. Bu[t] finally *The Obserber* manag[e]ment opted for the solution tha[t] promised the best chance o[f] independence and as Lor[d] Goodman said yesterday: "Thi[s] was better than we could hav[e] hoped for."

MEN AND MATTERS

Merrill Lynch for Dublin?

Fingers are crossed in Dublin at the Industrial Development Authority, but it now looks very likely that by Christmas confirmation will be received from New York that the organisation has brought off a substantial coup. Merrill Lynch International, world-wide arm of the world's largest stockbrokers (18,000-plus employees), is contemplating setting up its European administration H.Q. in the Irish capital.

Merrill Lynch's negotiations with the Irish authorities are now at a "very advanced stage," and the giant U.S. firm's reasons for re-grouping its scattered European administrative offices are predictably canny. Because Ireland is offering a tax holiday until 1990 on foreign earnings, as well as substantial training grants and linked subsidies, Dublin is now formidably attractive as an international business centre.

Service industries with a high rate of overseas sales, be they architects, consultants or computer software specialists, can generally expect their operations to be three times more profitable when based in Dublin than in any of the British provincial cities now offering incentives. As to London, and in particular the City, because of higher costs and no incentives there is no longer reckoned any competition at all.

Since introducing its service industries programme two years ago, the IDA has boosted clerical and scientific jobs by 3,000 and 40 companies have taken advantage of the scheme. The Merrill Lynch deal could eventually mean 700 new jobs, many of them for Irish graduates who at present stand a one-in-three chance of being jobless when they leave university. Merrill Lynch has been studying the Dublin idea on and off for several years; officials in London said last night that such a step would not lead to cutbacks elsewhere.

Ireland used, several years ago, to be in hot water in Brussels over its highly attractive carrots for foreign manufacturing industries. That has since died down, but as there are now plans to extend its tax relief system to a wide range of financial activities, there is a chance that the row will be re-kindled.

No relation

For You from Czechoslovakia is a glossy magazine, full of shots of fishermen in the twilight and green rolling vineyards, aimed at presenting an encouraging view of that country. But I am a little perturbed at one name mentioned. Among the photographers listed at the front is H. Wilsonová.

Observe the speed

The manner of deal-making over The Observer says something about the newspaper industry. Atlantic Richfield, the paper's unlikely new owner, and its boss Robert Anderson, have a reputation for quick decisions. In 1969, Arco was negotiating to buy Sinclair's retail outlets, but ran into anti-trust problems and had to look for companies willing to buy no less than 9,700 of the sites on the U.S. east coast.

It found British Petroleum—and within three days, BP had agreed to pay the equivalent of £166m. Yesterday's practically-completed Observer purchase involved no cash hand-over, and took all of 11 days. David Astor, the paper's former owner and editor, professed himself surprised at the speed: "I never

imagined that someone could make a decision so quickly about an industry that was not his own and which was based in a country 6,000 miles from his own."

Anderspn is chairman of the Aspen institute "think tank" and it was a director of that body, Douglass Cater, who set The Observer ball rolling when he sat down to dinner in a West End restaurant with Observer journalist Kenneth Harris. Cater got Anderson interested, then Astor and Observer managing director Roger Harrison went to talk to Anderson 51 storeys up in his Los Angeles office.

Cater went on to Venice and conducted his end of the business from there by telephone. "The phone has been stretched to its maximum utility," he said, "and in Italy that's saying something. If I wanted to speak to London I had to go to the U.S. and get them to speak to London to reach me in Italy."

Astor talked of Anderson being a "businessman statesman of the first order" and Observer staff presumably hope he will concentrate on exercising both qualities. When Cater rang Anderson early yesterday to ask if he had any regrets, he replie: "We are all grown boys." That really does sound like a remark that might have come from the late Lord Thomson.

Booster

British Leyland, taken off the Arab boycott list earlier this year, has rejoined the Anglo-Israel Chamber of Commerce, a bit of good news for the chamber which came yesterday with some indifferent tidings. Although imports from Israel are up over a third this year, sales from the U.K. have dropped in volume terms.

This was reported at the chamber's annual members' lunch by the chairman, Lewis Goodman, a director of Marks and Spencer. His boss at M and S, Sir Marcus Sieff, president of the chamber, then announced the morale-boosting return of Leyland.

The motor group allowed its membership to lapse 18 months ago "at a time of particular financial crisis," as a Leyland spokesman said last night. "The chamber invited us to join again, and our financial circumstances having eased somewhat, we accepted." No difficulties were expected with the Arab boycott office, he added, as its concern was with companies investing in Israel: Leyland made no secret of the fact it sold vehicles there.

Timeless

On the door of a Hampshire watch and clock repairer's shop: "Back at 3 p.m. Gone to unwind."

Observer

[هكذا من الاصل]

ECONOMIC VIEWPOINT

BY SAMUEL BRITTAN

The doubts of a dissenting monetarist

THERE IS a danger of a wrong-headed financial package being forced on a shell-shocked Cabinet and House of Commons.

Let there be no misunderstanding. A reduction of £1bn. to £2bn. in the public sector borrowing requirement brought about through Government spending cuts would be a major step in the right direction. It would enable any given monetary objective to be achieved with less expensive credit and a smaller load on the private and market sectors. My main points are (a) that a package achieved largely through tax increases and cosmetic public sector changes or postponements would do more harm than good and (b) that the whole operation may be used, together with the latest banking controls, to further an altogether excessive, and characteristically badly timed, monetary clampdown.

The view I am putting forward is totally different both from the Tribune Group, which is outraged at the thought of trimming the public sector, and from that of "expansionists" such as Mr. Reginald Maudling and Mr. Harold Lever, who do not in their hearts set much store by monetary limits and who still think that demand can be managed in terms of "real resources." Neither of these schools is entitled to quote this article in support, although I cannot prevent them from doing so.

The control of the money supply remains essential not merely to moderate inflation but to prevent it taking off again to a level which would bring democracy into immediate danger; and not controlling the money supply will not help growth or employment. But it is a travesty of monetarism to identify it with the policies we are experiencing—a runaway monetary expansion in the summer and early autumn followed by a sudden plunge towards near zero growth rates. It is too early to be certain; but the available figures are disquieting. There was a 12 per cent. monetary target for 1976-77, a 27 per cent. explosion in June to September and now a limit to the growth in interest bearing liabilities of the banks of 6 per cent. up to next summer (all figures at an annual rate).

Nor is there much reassurance to be found in the thought that if the squeeze is overdone, it can always be relaxed. In a sense that is precisely the danger. The monetarist case is that the best form of "demand management" is a moderate and steady growth of the money supply. If we try to relate it to output and employment targets we will only fail. Monetarists can and do differ among themselves about what to do when starting from very rapid inflation rates; whether to go for a quick kill, a gradualist policy, or to live with some inflation. But there is no sensible argument for a sudden monetary clampdown followed by runaway excesses.

Depressants

Yet this is what we are extremely likely to have when our policies are run by people who do not really believe that inflation is a monetary phenomenon, but who are obsessed with the management of the sterling exchange rate and the balance of payments, which would take care of themselves if only we would let them and cease trying to "manage" them.

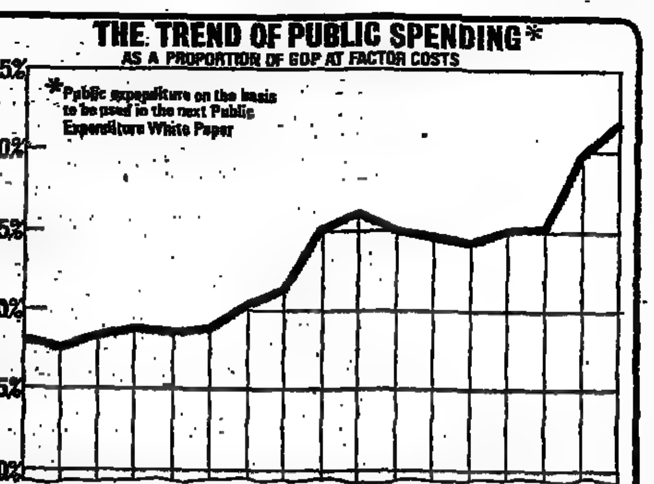
A large section of mainstream Treasury opinion (including most of the economists) is indeed deeply hostile to the forthcoming package. It regards it as an unnecessary depressant to an economy already in a recession and facing a prospect of a further rise of adjusted unemployment to about 1½m. by 1977, even without further restrictive action.

Why then are officials who hold these views not merely working on the package, but actively advising Ministers in its favour? To say that the package is being forced upon us by the IMF is too crude.

The actual $3.9bn. standby—about half of which will be needed to repay the Central Banks—is pretty small beer and not what is really at issue. The question is whether Britain is to be given a key of approval which would unlock the door to a sterling balance agreement, to further international credit facilities, and to borrowing on the private international capital markets (not at present available in New York on "triple A" terms).

In view of the U.K.'s past record, it would be astonishing if the IMF did not err on the side of severity in its recommendations. It would also be astonishing from a negotiating point of view if it did not ask for more than it expected to receive. But it would be even more astonishing if negotiations broke down. Such a failure would be as much a crisis for the IMF as for the U.K. To say this is not to recommend any further use by the British side of the threat "I'll drop down dead (or red) if you don't support me."

The basic enemy that Treasury mainstreamers believe themselves to be fighting is not the IMF but confidence—external and internal. And while it is possible to hold a reasoned discussion with Mr. Alan Whitcome "confidence" appears to official economists as a Fuseli phantasmagoria which can neither reason nor articulate and tends to vanish if one tries to grasp it. But to the extent that beliefs can be projected onto this weird apparition they relate to the attainment of monetary targets—and the academics and journalists who have helped to conjure up the spectre are not spared their share of the blame.



But the practical moral is this. If "unbelieving monetarists" impose a squeeze only because of worries over sterling and the balance of payments, they will be quick to take it off when the current account improves and sterling recovers relative to its purchasing power parity, as it is highly likely to do next year.

There is no need to look in the crystal ball when one can examine the record. The Treasury supported the Roy Jenkins squeeze to prevent a second sterling devaluation after that of 1967—although the Chancellor himself and one or two advisers were aware that there were basic arguments of a domestic kind. Devaluation eventually worked, the balance of payments went into record surplus; and in 1970 Mr. Jenkins and his Government were thrown out for their pains.

Why did the Heath Government dissipate the heritage? Personalities aside, it was because the Treasury's main arguments against monetary and fiscal stimuli in 1970-71 were couched in balance of payments terms, and when sterling turned out embarrassingly strong, they became discredited. The way was then open for the so-called "Barber boom" (for which Mr. Anthony—now Lord—Barber was less responsible than any other member of the Cabinet).

This time the process could be telescoped into a much shorter period. It is quite likely that some time in 1977 there will be a discussion—incredible now—on whether to take out the new-found strength of sterling in an exchange rate appreciation or in building up the reserves and premature debt repayment. It is no real argument for a drastic clampdown to say that we face a short term crisis. In the short term there is no case for any restrictive measures in view of the depressed outlook for activity and the probability that unemployment is already above its minimum sustainable rate. The whole case even for moderate and stable monetary guidelines is long term.

There is another reason why we should be suspicious of the terms of an agreement with the IMF. Central Bankers like incomes policy because it appears to do some of their work for them; and the Fund is in this sense a central banking institution. Its Managing Director, Mr. Johannes Witteveen, spoke up for incomes policy on Friday; and his team in London, which has already seen the TUC and CBI, will put special emphasis on it, both because it is the British Government's chosen weapon and because of IMF scepticism about U.K. monetary performance. But of course tight wage guidelines are incompatible with adjustments of differentials and relativities, and are now the main employment-destroying force inside the U.K.

It is curious how people who regard themselves as conservatives with a small or big "c" can rarely resist urging the Government to do something and to do it quickly. The right way to proceed is first to keep to a steady monetary course. This is, however, quite incompatible with any sort of policy geared to the interest rate; and our political and industrial statesmen will really have to learn that a 15 per cent. nominal rate is low, not high, when inflation is running at that rate.

Postponements

Second, it is important to start now to reduce public spending as a proportion of the national product. The chart shows that there has been just as dramatic an increase on the new more realistic Treasury definition as there was on the old one. But quite the worst way of doing this is to go for the most dramatic impact in 1977-78. We would then have just the usual batch of postponements and higher charges and there would be no scope or time for reducing the vastly excessive role of central and local government in areas which form no part of their proper business.

Third, there should be no tax increases; and any adjustments of VAT or the excise duties should be linked to at least provisional plans for equivalent downward adjustments in income tax in April. In terms of confidence £1 of expenditure curbs is probably two or three times as effective as £1 of tax increases. But I would go further and say that any tax increases are positively undesirable; for a few months the proceeds may reduce the borrowing requirement, but eventually they will surely be spent.

Fourth, a reduction to 50 or 60 per cent. in the top marginal rate of income tax, together with copper-bottomed assurances about the phasing out of price and dividend control will do far more good than £1bn. or even £2bn. off the borrowing requirement.

There is nothing in the least mystical about these points. Measures which make enterprise, risk and initiative worthwhile would surely attract overseas funds to this low wage country and thus would help finance both the external and the Budget deficits in a non-inflationary way. At home £1 of cash into managerial private pockets would do more for investment than £100 of abstract cash flow geared to corporate projects on industrial strategy lines. Such measures might well make the rich richer, but they would also make the poor richer; a combination difficult for some kinds of mind to grasp.

The Prime Minister and Chancellor seem to find it politically impossible to take measures which would hurt no one but the envious; but they seem to find it possible to take action to make unemployment and the decline in real wages even worse than they would have to be in any case. Mr. Callaghan and Mr Healey may yet surprise us; but if these really are the limits of the politically possible, then I am not so pessimistic as to believe that we will have the present political system with us for many years longer.

Letters to the Editor

An expensive irrelevance

From the Convening Chairman, Electricity Consultative Councils.

Sir,—I was pleased that the Technical Page report (November 18) highlighted the fact that no official body has done its sums on just how much the proposed new mains plug and socket system will cost.

The practical disadvantages of the system—most importantly that it will not be possible to use fused plugs—are paralleled by the cost to the consumers of the change-over which, in the absence of any official figures, you have estimated as £500m. over the next ten years. This is one cost which I believe to be completely unnecessary, particularly at a time of inflation.

For some six months I and my colleagues have been opposing this proposal on the grounds that it is an expensive irrelevance and we have been told time and again to await a definitive statement. I understand that the Press conference held earlier this week was that definitive statement and, if so, the poverty of the arguments for the change-over is summed up by the claimed advantage that "travellers who take portable appliances abroad will be able to plug in without adaptors in countries which have accepted the system": in an age when most commonly portable appliances, such as electric razors, can be used internationally anyway, this seems a lot of money to spend for the convenience of the minority who will wish to lug their refrigerators around in their suitcases.

T. Young,
Room 154,
4, Broad Street Place,
Blomfield Street, E.C.2.

Revealing reports

From Wg. Cdr. H. Allen.

Sir,—As many of your readers will know, the "guide-lines" laid down by the OECD invite multinationals to reveal in their annual company statements a number of sensitive facts and figures spelling out details of their operations in the countries in which they carry out manufacture and trading. The Labour Government strongly applauded this piece of nonsense mainly because Jack Jones told them to. The TUC is terrified of foreign multinationals operating in the U.K. because they can kick them in the teeth whenever they feel like it—witness the Chrysler debacle. The CBI pretended to approve this little bit of Gilbertianism—under pressure, no doubt—although even it had the guts enough to make noises as to the ramifications, especially as the OECD made it clear that it is moving towards compulsory disclosure involving board room secrets.

I am prepared to bet my bottom dollar (less dollar premium) that Perfidious Albion is once again going to be caught with her knickers down. Whatever attention the Government of, say, America, West Germany, Japan and Holland pay to the declaration, in my view they have not the slightest intention of doing more than paying lip-service to it. Holland, for example, is famous for the string of vastly important multinationals which have their headquarters there. Do you think for a moment that the Dutch Government is likely to kill the goose that lays the golden egg? I wish Mr. Callaghan—there is not much hope for Mr. Crosland is there?—had a hundredth of the commercial acumen possessed by one of his predecessors. Was it not George Canning who said "in matters of commerce the fault of the Dutch is offering too little and asking too much." What's wrong with that?

H. R. Allen,
Woodcote Lodge,
Windlesham, Surrey.

Taxing social security

From Mr. D. Bissett.

Sir,—A lot of attention is being directed towards taxing social security benefits. One reason for this has been the suggestion that only by reducing the net benefit paid to the unemployed can they be given the necessary incentive to return to productive employment.

If the lower paid (when working) unemployed are indeed better off financially when out of work, should we not look first to reducing the tax burden of those working? It is nonsense to talk of incentives while our attitude appears to be always to consider the rod before the carrot.

D. Bissett,
The Poplars,
Plumpton Green,
Lewes,
Sussex.

Index-linked annuities

From Mr. J. Plumbe.

Sir,—Much has been written on the general subject of index-linking but I still think that the question of having indexed-linked annuities should be given more consideration. It gives the investor and saver the best real income, while from the State point of view the liability has a definite termination. When I wrote to you in April 1973, I commented on the danger of our friends in the civil service helping themselves and others from Government employment to the now generally accepted feather-bedded pensions.

This was at the time when Heath and his Chancellor were permitted by such people to roar into a new inflation. It is true that the index-linked pay tax on their gains but many of them are now receiving greater emoluments than when they were working, and therefore their take-home earnings will increase.

Let us now prepare, however, to receive another fast one. It is being put about that the next and necessary dose of taxation should be indirect, rather than direct, and it seems that a lot of people rather like this, feeling perhaps in some vague sort of way it will help the poor. Not a bit of it; those who will gain will be the index-linked because indirect taxation must raise the retail index and therefore their take-home earnings, while fixed interest pensioners will sink nearer the bread-line.

J. P. H. Plumbe,
83, Maybury Road,
Woking, Surrey.

Interest rates

From Mr. I. Tulloch.

Sir,—I suggest that the greatest—and probably most damaging—inconsistency in Government policies towards industry concerns the fluctuations in the minimum lending rate, which would now appear to be primarily dictated by the performance of Sterling in the foreign exchange markets. Since January, 1974, MLR has charted what can, at best, be described as an erratic course, having been altered no less than 31 times; in 1976 alone the rate has changed 12 times to date, varying from 9 per cent. in April to 15 per cent. in September. Compare this with the German equivalent which, during the last three years, has decreased by steady stages from 7 per cent. to 3.5 per cent.

The main effect on industry of wildly fluctuating interest rates must surely be a lack of confidence resulting in a further decline in capital investment. To-day, with inflation and interest rates of around 15 per cent., a company which has no liquid funds available for expansion must obtain a return on a new investment of around 45 per cent. before interest and tax, if there is to be no diminution in real terms in its asset value. But then, there is the Price Commission. . . .

I. W. P. Tulloch,
Swallow Ha', Symington,
Ayrshire.

Housing and investment

From Mr. R. Jones.

Sir,—Bernard Kilroy's letter (November 23) misses the point. The annual cost of mortgage tax relief has gone up both because taxation and interest rates have risen. Net monthly mortgage payments, made by the owner-occupier, however, are higher; they are worse off not better. It is true that, as interest rates rise, the revenue forgone is constantly increasing, but this is balanced by the extra taxation paid by building society investors paying higher amounts of tax on their increased return.

In addition that portion of income on which the owner-occupier is not receiving tax relief, is subject to the higher rates of taxation. Thus the Treasury receives more not less money.

If Mr. Kilroy really wants to analyse why investment is not steered into productive industry, he should look at the real causes, including the decline of profitability.

Robert B. Jones,
The Housing Research Foundation,
58, Portland Place, W.1.

Reds under the bed

From Mr. P. Instone.

Sir,—Mr. David Watt (November 19) should be less dismissive; not all of us are blessed with his incisive ability to cut a path through the polemics of this, or any, issue—labelling the dramatis personae with his unerring and simple certainty—and deftly pigeonholing the arguments.

It is Mr. Watt's opinion that the Social Democratic Alliance (SDA) and Mr. Sproat, in raising the issue are being hysterical and—with due respect to Mr. Heath—it ought not to be the accepted reaction. Mr. Watt admits that the situation requires "careful watching" and "much hard work from the moderates within the Labour Movement." May I suggest to Mr. Watt that without occasional bursts of controlled passion on the point at issue (Mr. Watt may call it hysteria if he chooses), the moderates may fail to be jogged out of their apathy and reticence as to the tactics of the ultra Left.

Mr. Watt might have devoted a little further time to comment on what I understand the inference of Mr. Sproat's and the SDA's comments to be central to—namely the masquerading of the ultra Left under false colours prior to infiltration. Mr. Watt can, of course, tell a Trotskyite from an International Socialist at a glance. But he is by profession well-versed in this modern science of "strain spotting," and I suggest that the average voter is less well endowed.

We all know, and even Mr. Watt in his article implies, that a candidate could be Marxist or Centrist and still come under the banner of the Labour Party. How, therefore, does Mr. Watt expect the average non-politically minded voter (viz., I suspect, the majority of the electorate) to be aware that in voting for a Labour candidate he might be voting for a wolf in sheep's clothing (or at least not whom he bargained for). Mr. Watt must agree that the Marxist infiltrator is hardly likely to show his hand until after being elected. I would submit that it is far better, if thinking to glimpse a Cossack boot under the bed, to look underneath rather than to turn away—excusing the lack of further investigation on failing eyesight or suspected hallucination.

If Mr. Sproat and the SDA have, by their comments, raised our collective interest to look under beds a little more often and a little longer then I, for one, am delighted for I believe, and am quite sure that Mr. Watt believes, that we have to guard our freedoms and choices as strenuously as the Left wish to deprive us of them and if this sometimes results in over-reaction then so be it.

Peter D. Instone,
Little Cherrills,
Grove Road,
Cranleigh, Surrey.

Change in Oman

From Penelope Tremayne

Sir,—As one who has watched Oman's development fairly closely over the last few years, I hope you will allow me to take up a phrase in your survey of Oman (November 17), used perhaps inadvertently, which could mislead. Robert Graham in his excellent front-page article writes: "The Popular Front for the Liberation of Oman (PFLO) movement apart, there is little evidence that Omanis are pressing for the Sultan to create democratic institutions." With respect, PFLO, which is hardly a movement, has never pressed for democratic institutions: only for revolutionary ones. It promises vaguely that after it has overthrown the state by violence things will be better; but does not elaborate about whom they will be better for, or about the tricky question, how they will be made better.

As for the overwhelming majority of Omanis who want none of PFLO, they do not press the Sultan for democratic institutions for the very good reason that he has been bringing them in at a speed that leaves everyone astonished and some panting. Omanis (as opposed to outsiders) are more likely to criticise him for democratising too fast than too slowly; too much than too little. Perhaps a close-up view of life in Zanzibar and Mozambique (where many Omanis still have families) may have made them cautious, or selective, about the adoption of alien political creeds.

Penelope Tremayne,
Kestle,
Wadebridge,
Cornwall.

To-day's Events

Cabinet continues discussion of terms for loan by International Monetary Fund.

Special service of thanksgiving to mark U.S. bicentennial, Westminster Abbey, attended by Princess Alexandra.

Mr. Finn Gundelach, EEC Commissioner temporarily in charge of external relations, resumes talks with Icelandic Government on fisheries agreement, Reykjavik.

British Overseas Trade Board Export Dynamics conference, chaired by Sir Frederick Catherwood, BOTB chairman, Barry, Glamorgan.

Mr. Nicholas Goodison, Stock Exchange chairman, speaks on theme "Social Responsibility—What I do for my Neighbour." St. Lawrence Jewry next Guildhall, E.C.2, 1.15 p.m.

Professional Golfers' Association Annual Meeting, London.

PARLIAMENTARY BUSINESS

House of Commons: Debate on Queen's Speech.

Commons Select Committee (meeting in public). Expenditure *(Trade and Industry Sub-Committee)*. Subject: The Fishing Industry. Witnesses: White Fish Authority and Herring Industry Board.

House of Lords: Debate on Queen's Speech—economic and home affairs.

OFFICIAL STATISTICS

Car and commercial vehicle production (October, final). Capital expenditure by manufacturing, distributive and service industries; and manufacturers' and distributors' stocks (third quarter, provisional). Energy Trends publication.

COMPANY RESULTS

Akroyd and Smithers (full-year). Dawson International (half-year). ICI (third-quarter). 600 Group (half-year).

COMPANY MEETINGS

Dolan Packaging, Knutsford, Cheshire, 12. Ductile Steels, Willenhall, 3. Great Universal Stores, 20, Aldermanbury, E.C., 12. Ingall Industries, Birmingham, 12.30. Maynards, Vale Road, Finsbury Park, N., 11. Silverthorne Group, Cheltenham, 11.30. Slimma, Hotel Inter-Continental, W., 12. Unochrome, Cheltenham, 12.

MUSIC

London Symphony Orchestra, *conductor Bernard Klee, with* Edith Mathis (soprano) perform Mozart's Symphony No. 34 in C, and Concert Arias K.389 and K.217; and Mahler's Symphony No. 4, Royal Festival Hall, S.E.1.

COMPANY NEWS + COMMENT

Johnson Matthey tops £9m. in first half

GOLD, silver and platinum refiners, etc., **Johnson Matthey and Co.** reports pre-tax profits up from £5.79m. to £9.14m., in the half year ended September 30, 1976. Subject to limitations imposed by Government policies, the directors expect the improved profit level to be maintained in the second six months.

Sales for the half year—excluding Johnson Matthey Bankers—increased to £181.13m. from £144.39m.

The net interim dividend is maintained at 5p per £1 share. Last year's total was 11.0844p, from pre-tax profits of £15.34m.

	First half 1976 £000	1975 £000
Sales	181,129	144,390
Deb. interest	1,455	990
Depreciation	1,396	1,088
Profit before tax	9,139	5,789
Taxation	4,574	3,046
Net profit	4,565	2,743
Minorities	49	26
Interim dividend	851	851

● comment

Johnson Matthey appears to be slowing down—at least to judge from a forecast of current half profits that points to £9.1m. pre-tax against £9.5m. in the second six months of 1975-76. Including exports overseas profits are well over 50 per cent. of the total, so, given this year's currency background is favourable, the underlying trends could be fairly worrying. The shares held steady at 290p yesterday: earnings per share this year look like emerging at around 32½p which would cover the prospective dividend (yield is 6.6 per cent.) more than four times. Still, if the trading picture is getting less hopeful the balance sheet is the very picture of health—with net assets per share, taking metal stocks at market value, in the region of 330p.

HIGHLIGHTS

Tesco's interim profits are up by a tenth but margins have come under some pressure. A smart turnoround has been reported in the third quarter by the House of Fraser with profits up by half in this period after a 47 per cent. decline in the first two quarters. The upward sales trend is now accelerating. A 39 per cent. profits increase has been reported from Tunnel Holdings against falling cement deliveries in the industry. Lex also comments on the 235p cash bid for Kinloch by Booker McConnell. Elsewhere, there appears to be a slow down at Johnson Matthey which reported half-time profits of £9.1m. against £9.5m. for the second half of last year. Robertson Foods has held its interim profits at last year's level despite a fall of a third overseas. Dunhill's figures have been boosted by the weakness of sterling but includes some volume growth in the 48 per cent. sales rise backing a profits rise of a quarter.

Halftime setback at Sumrie

Leeds-based Sumrie Clothes incurred a loss, before tax, of £26,000 in the 26 weeks to October 2, 1976, compared with a profit of £10,000. Turnover fell from £2m. to £1.68m.

No interim dividend is declared (same). Last year's sole dividend was a final of 1.25p net per 20p share, from profits of £105,759.

The directors state that deliveries since mid August have gathered momentum, and with forward orders beginning to show a significant improvement, they *view the foreseeable future* with more optimism than hitherto.

Barratt Developments

Mr. L. A. Barratt, chairman of Barratt Developments reported at the annual meeting that in the first four months of the current year profits were again extremely good with the number of houses built and sold showing a significant increase on the same period of last year.

Furthermore, the forward sales position was at a record level with almost 4,000 sold, of which about half were legally contracted, he said.

He looked to the expansion and increased profitability which "will most assuredly flow" from the group's involvement in general contracting and public sector housing continued to operate successfully with a record forward order book. The property investment programme would continue in the future and rent roll would substantially increase in the current year, stated Mr. Barratt.

Sandhurst Marketing setback

SUPPLIERS of stationery, etc., and manufacturers of chemical products, Sandhurst Marketing incurred a pre-tax loss of £34,101 in the year to June 30, 1976, against a profit of £287,197, after a first half profit of £35,000 (£160,000).

The loss per 10p share for the *year is 1.07p* (earnings 6.41p). A final dividend of 0.5623p net makes a total down from 1.7076p to 0.8538p.

The directors report that trading to date in the current year has been at a profit.

	1975-76 £	1974-75 £
Group turnover	2,801,009	2,885,135
Pre-tax loss*	34,101	†287,197
Taxation	13,140	127,389
Net loss	47,330	†159,588
Dividend	21,380	42,321

* After charging exceptional item of £18,878 and extraordinary item £20,897. † Profit.

The disappointing results were due to a downturn in the stationery trade coupled with increased costs, the directors explain.

● comment

Adding back the exceptional items gives Sandhurst Marketing a pre-tax level of only £5,272, suggesting a £153,000 turnround into losses in the second six months. As with most office and computer stationery suppliers, Sandhurst's sales volume has been hit badly by both a fall-off in demand and a trading-down by customers. The group has cut back on overheads by trimming its sales force by around 18 per cent. and has also managed to reduce stocks substantially. This has enabled it to reduce borrowings from around £603,000 in 1974-1975 to less than £½m., where they compare with net worth of around £381,000. Since the year-end, debt has been reduced by a further £95,000 following the sales of the yacht Cadabra and trading is apparently now showing some signs of picking up. All the same, the shares at 11p where the group is capitalised at £27,000, are clearly not placing too much faith in the immediate recovery prospects.

SALVADOR RAILWAY

The Government of El Salvador agreed to pay compensation to the trustees of the 5 per cent. Prior Lien Debentures and the 5 per cent. Income Loan Stock of Salvador Railway Co. The compensation monies will be treated in accordance with the scheme of *arrangement of 1959.* Those monies will be sufficient to redeem the Prior Lien Debentures at par and to provide some payment in respect of the Income Loan Stock. The company has some residual assets and a small payment may eventually be made in liquidation to the consolidated holders, it is stated.

Fine Art sees record results

REPORTING pre-tax profits up from £711,000 to £863,000 for the six months to September 30, 1976, Mr. F. R. Kerry, the chairman of Fine Art Developments, says the increase has been maintained in the second half and full-year results should again be at record levels. Profits for the year to March 1976, reached £2.77m.

First-half earnings are shown to be up from 0.917p to 1.151p per 5p share. The interim dividend is lifted from 0.45p to 0.55p net and the directors intend to pay the maximum for the year. Last year's final was 0.6585p.

	Six months 1976 £000	1975 £000
Sales	12,718	10,478
Trading profit	1,124	1,008
Interest charges	261	297
Profit before tax	863	711
Taxation	440	373
Net profit	423	338
Minorities	1	2
Available Ordinary	422	336
Interim dividend	202	163
Leaving	220	171

● comment

A 12 per cent. drop in interest charges at Fine Art combined with a turnround in Australia *from an £88,000 loss to near break-even* has turned a modest increase in trading profits into a 21 per cent. rise at the pre-tax level. Greeting card sales have been fairly static in volume terms, but the mail order division has continued to move ahead. The second half it by far the more important, and card sales are showing volume gains of 5 to 10 per cent., making up the ground lost last Christmas. Meanwhile, mail order sales have been progressing well, perhaps as a result of early Christmas buying, and with a further drop in interest charges, the year looks capable of producing £2.4m. pre-tax profit. The prospective p/e at 171p is under 4, against historic figures of 3.6 and 9.2 for Sharpe and Wilson respectively, while the maximum yield is about average at 10.9 per cent. The mail order side is providing the company with growth against a static U.K. greetings card market, while expansion into other European countries is paying off as their card markets develop. So Fine Art could justify a better rating.

Bristol Post well up so far

ON TURNOVER up from £5.84m. to £7m., pre-tax profit of the Bristol Evening Post for the 26 weeks to September 30, 1976, advanced from £348,000 to £608,000.

In line with the group's usual practice, no interim dividend is announced at this stage. An announcement is expected in January or February next year. Last year's interim was 1.75p net, and the total was 5.14p from profits of £0.89m.

Mr. Andrew Breach, chairman, says that the results reflect the modest optimism expressed at the annual meeting. He hopes that the trend will continue for the second half.

	26 weeks 1976 £000	1975 £000	Year 1975-76 £000
Sales and services	6,900	5,939	12,773
Matrls., wages etc.	6,143	5,242	11,270
Depreciation	102	104	377
Trading profit	692	413	1,026
Interest paid	34	63	134
Profit before tax	608	348	892
Taxation	316	181	470
Net profit	292	167	422
Extraord. credits	—	—	20
Minorities	99	51	138
Attributable	193	116	304

● comment

Bristol Evening Post has increased its first-half profits by roughly three-quarters before tax, but this performance is flattered by comparison with a period which was depressed by both industrial troubles and relocation expenses. In fact, advertising volume was in sharp decline during the first six months and it took several increases in advertising rates to keep revenue moving ahead. The final quarter of the year will also feel the full brunt of the next proposed increase in newsprint costs (£40 a tonne from January) but this probably threatens the 1977-78 prospects more than those of the current year. In the meantime, pre-tax profits of around £1.1m. are probably a reasonable hope for 1976-77 and that should provide adequate cover for a maximum dividend which, at 58p, yields over 15 per cent., a level which reflects the market's caution.

Revenue up at SPR Investments

Revenue of S.P.R. Investments increased from £123,034 to £187,906 in the half year ended August 30, 1976, before tax of £89,583 against £60,593. Pre-tax revenue in 1975-76 totalled £624,983.

Earnings per 25p share are 2.43p (1.56p) and a net interim dividend of 2p is declared. The previous total of 6.3p included an interim of 1.25p and a special 4p payment.

Net asset value per share is 100p (107.1p). The company, formerly the Sao Paulo (Brazilian) Railway Company, changed its name in May last year.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Allied Irish Banks ...int.	1.56	Dec. 20	1.54	—	4.48
Assam Trading "B"	2.05	—	1.87	2.05	1.87
Bainbridge Eng. ...int.	0.58	—	0.53	—	1.53(a)
Brickhouse Dudley ...int.	0.69	Jan. 6	0.63	—	1.9
Brunning Group ...int.	1.14	Jan. 12	1.14	—	2.93
CLRP Trust	1.1	—	0.9	1.6	1.4
Alfred Dunhill ...int.	2.42	Jan. 14	2.2	—	7.09
English Natl. Pfd. ...int.	0.74	Jan. 10	0.66	—	1.5
English Natl. Defd. ...int.	0.51	Jan. 10	0.18	—	1.1
Fine Art Devs. ...int.	0.55	Jan. 19	0.45	—	1.11
Johnson Matthey ...int.	5	Feb. 1	5	—	11.08
Monks Inv. Trust ...int.	0.43(d)	Feb. 3	0.35	—	1.15
Palabora ...3rd int.	17.5(e)	Dec. 20	12.5	—	50
Robertson Foods ...int.	1.23	Jan. 10	1.12	—	4.66
Sandhurst Marketing	0.56	—	1.12	0.85	1.71
S.P.R. Invest. ...int.	2p	Jan. 4	1.25	—	6.5(b)
Stocklake	1.5	Dec. 23	1	2.25	1
Supara Investments	0.59	—	0.53	0.59	0.53
Tesco Stores ...int.	0.63	Mar. 2	0.38	—	1.33
Thanet Trust	1.7	Jan. 14	1.7(c)	2.4	2.4
Tunnel Hldgs. ...int.	3	Jan. 31	2.71	—	8.87

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) For 13 months. (b) Includes 4p special interim. (c) Includes 0.4p bonus. (d) To reduce disparity. (e) South African cents.

Allied Irish Banks' midway upsurge

DESPITE THE impact of the national bank strike, and after a further special provision of £1.5m. against advances, pre-tax profit of Dublin-based Allied Irish Banks rose from £7.85m. to £9,293,000 in the half-year to September 30, 1976.

The interim dividend is raised from the equivalent of 1.54375p to 1.5625p net and with results for the second half expected in the absence of unforeseen factors to show a definite improvement on the first half the total for the year should be at least similar to the 4.48125p paid in 1975-76, says Mr. E. M. R. O'Driscoll, the chairman. Profit for the year 1975-76 was £16.4m.

Earnings per 25p share for the half-year rose from 8.88p to 10.48p basic or from 8.20p to 9.20p fully diluted.

Demand for advances has accelerated and has been accompanied by a higher level of availment of facilities the directors state. Resources growth in the parent bank halted by the closure has resumed however, but somewhat sluggishly, despite the attractive interest rates obtaining.

Growth in the subsidiaries continues to be buoyant.

	Half-year Sept. 1976 £000	March 1976 £000	Sept. 1975 £000
Parent profit	8,127	8,908	7,010
Subsidiaries	2,569	2,430	1,799
Associates	97	110	51
Total profit	10,793	11,548	8,650
Special provision	1,500	3,000	1,000
Profit before tax	9,293	8,548	7,650
Taxation	4,040	3,586	3,940
Minorities	4	27	*6
Extraord. debits	—	45	—
Attributable	4,649	4,880	3,919
Dividend	698	1,303	685
Retained	3,956	3,577	3,234
LIABILITIES:—			
Shareholders' funds	73,346	71,990	66,273
Loan stock	11,986	[illegible]	11,069
Minority holders	349	345	463
Current, deposit etc.	1,644,065	1,383,856	1,296,380
Other liabilities	31,380	18,972	17,426
ASSETS:—			
Cash, money at call	636,761	555,353	645,008
Investments	214,533	241,368	210,387
Advances	787,919	599,763	537,261
In transit	73,390	43,269	50,886
Other assets	56,164	58,358	62,570
Balance-sheet totals	1,768,137	1,486,082	1,305,365

* Loss.

Robertson Foods little changed at six months

ON A TURNOVER up from £21.11m. to £24.47m., first half (to September 30, 1976) pre-tax profit of Robertson Foods was marginally higher at £881,000 against £872,000.

The group's production lies in the food areas which suffer less than others in an economically depressed grocery market, and the directors are confident that the group is soundly based for expansion. At the present levels of activity the profit for the year should show an improvement over the £2.27m. for the year to March 31, 1976, says Mr. R. C. Robertson, the chairman.

Earnings per 25p share for the half year increased from 4.02p to 4.19p and the interim dividend is stepped up from 1.12p to 1.23p net. *Last year's total was 4.66p* —earnings 10.02p.

	First half 1976 £000	1975 £000	Year 1975-76 £000
U.K. home sales	19,531	17,811	37,519
U.K. Export	1,599	1,223	2,490
Overseas	3,280	2,073	5,981
Total turnover	24,470	21,107	45,990
Profit	1,126	1,247	2,913
Debenture interest	161	165	366
Other interest	365	[illegible]	630
U.K. pre-tax profit	690	582	1,917
Overseas	191	290	357
Total pre-tax profit	881	872	2,274
Taxation	440	445	1,170
Minorities	26	36	44
Exceptional costs	—	—	92
Preference div.	17	17	34
Ordinary	115	104	435

The slight improvement in the profit is encouraging, when it is borne in mind that the poor vegetable crops this year resulted in substantially lower canning production in both the U.K. and France, says the chairman.

Although the results for the six months are very satisfactory, the directors say, they cannot be certain about the immediate prospects, particularly for those activities which depend on the construction industry. The diversification programme is, however, beginning to make an impact on the company's results and, "we shall continue to pursue it energetically."

The results of the subsidiary, Spheric Engineering, which have not been audited were better than expected and contributed £20,061 to pre-tax profits.

It is intended to create a reserve to meet the future replacement costs of plant and machinery and a sum is being appropriated from profits for this purpose.

● comment

Once again Robertson Food's profit levels have been sustained by lower interest charges. Margins did not improve as forecast; in fact, between the two half years they fell from 6 to 4.8 per cent., and the 16 per cent. turnover increase contained only a small volume lift. The canning division (which normally accounts for 20 per cent. of profit) was hit by drought, particularly in France where a 58 per cent. drop in production led to a 34 per cent. profit fall. But at home there was good news, with breakfast cereals managing a 20 per cent. volume increase and both jams and marmalade improving their market share in a static market. In the second half there will be a boost from exceptionally good sales of mincemeat and Christmas puddings; so, despite higher interest charges, prospects are good for final pre-tax profits of £2.4m. At 69p, the maximum dividend would yield 11.7 per cent. and the prospective p/e is 5.8.

English National

Gross income of English National Investment Co. for the six months to September 30, 1976, was £86,895 against £68,040. Revenue before tax rose from £38,398 to £53,404. Tax took £20,092 (£13463).

The interim dividend per preferred Ordinary share is 0.74p (0.65625p) net and per deferred Ordinary share 0.51p (0.175p) net. Totals last year were respectively 1.5p and 1.1p from pre-tax revenue of £84,163.

Earnings per preferred share are 0.82p (0.7p) and per deferred share 0.84p (0.36p).

Net assets per preferred share are 27.4p (26.76p) and per deferred share 34.8p (32.03p).

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CATHAY SECURITIES

Cathay Securities—subsidiary of Bowater Corporation—proposes early redemption of the $HK4,750,000 8¼ per cent. unsecured redeemable Loan stock 1981 at $100 per cent.

Dominion & General

Gross income of Dominion and General Trust was virtually static at £266,173, against £266,250, in the six months ended October 31, 1976. Net taxed revenue emerged higher at £141,557 against £130,687.

Earnings per 25p share are up from 2.93p to 3.22p. An unchanged interim dividend of 1.5p has already been declared—the total for 1975-76 was 3.8p, paid from net revenue of £272,651.

Net asset value was 198p (229p at April 30, 1976).

Bainbridge Engineering

Bainbridge Engineering achieved pre-tax profits of £103,181 for the six months to September 30, 1976, on turnover of £455,625. For the six months to August 31, 1975 turnover was £310,071 and profits were £43,577, and for the 13 months to March 31, 1976, profits came to £137,017.

After tax of £56,000 against £20,000, first half earnings are shown to be up from 1.26p to 3p per 10p share. The interim dividend is 0.575p (0.533p) net. The total for the 1975-76 13-month period was 1.525p.

A. Dunhill well up at half way

GROUP TURNOVER for the six months to September 30, 1976, of Alfred Dunhill expanded from £11.58m. to £17.17m., and pre-tax profit advanced from £3.38m. to £4.26m. For the year to March 31, 1976, turnover was £25.12m. and profit £7.27m.

The interim dividend is raised from 2.2p to 2.42p net. Last year's total was 7.09458p. The company, pipe makers, cigar importers, tobacco and cigarette manufacturers, etc., is a subsidiary of Rothmans International.

	Six months 1976 £000	1975 £000
Group turnover	17,179	11,583
Profit before tax	4,255	3,383
Taxation	2,247	1,812
Net profit	2,008	1,571
Minorities	77	61
Attributable	1,931	1,510
Interim dividend	281	165

● comment

Dunhill's figures have been boosted by the weakness of sterling since around 85 per cent. of sales are made overseas, but nevertheless a 48 per cent. rise in sales and 26 per cent. increase in pre-tax profits includes some underlying volume growth. There is the first-time inclusion of the Lane acquisition in the U.S. to take into account, but generally the group figures were ahead of outside projections. In the U.K. sales of what are basically luxury items have held up surprisingly well, thanks to the tourist trade, while overseas markets such as the U.S. and the Far and Middle East are continuing buoyant. So second-half prospects look good and Dunhill could top £9½m. pre-tax this year. At 203p the prospective p/e is around 4½ but the group is stuck with a low yield of 6 per cent. which, even though it is covered six times, is restraining the shares. Meanwhile net cash is worth about 100p a share.

BOC to appeal to Sri Lanka Government

BOC International is to appeal to the Government of Sri Lanka against its nationalisation of its subsidiary Ceylon Oxygen.

In its vesting order the Government alleged that production of oxygen and acetylene by CO had "fallen short of demand during the last few years." It added: "Even the limited supply has been subject to frequent interruptions."

BOC said supply had been limited owing to a shortage of cylinders. This shortage had been pointed out to the Ministry of Industries many times but they had refused to allow cylinders to be imported.

"It is true," added BOC, "that the main oxygen producing plant has broken down on three or four occasions but imports of vital spares have been refused by the Government due to lack of foreign exchange."

In the year to September 1975 COL had a trading profit of £145,000. Sri Lanka Government taxes took £117,000 of this.

Brickhouse Dudley upsurge

RECORD half-year results are announced by Brickhouse Dudley, manufacturers and distributors of drainage products for the building and civil engineering industry.

Sales for the six months ended September 30, 1976, totalled £8.80m., compared with £8.18m. for the corresponding period of 1975. Profit before tax increased to £932,000 from £750,000.

Mr. R. M. Huxtable, chairman, says he is hopeful that results for the second half will be, at any rate, in line with those now reported.

The net interim dividend is raised from 0.833445p to the maximum permitted 0.6968p. Last year's total was 1.960337p from pre-tax profits of £1.59m.

The interim absorbs £104,000 (£95,000). Net profit for the first *half was £399,000 against £360,000.*

Mr. Huxtable says the first half results confirm his comments at the annual meeting in August of a modest but not insignificant rise in profitability.

Profits for the full year still depend on sales not being savagely reduced by the cuts in public expenditure in the construction industry and increases in the group's successes in export markets.

● comment

The rise of 71 per cent. in first half profits from *Brickhouse Dudley* continues a history of remarkably steady progress for a company supplying the construction industry. One reason is that exports which more than doubled last year to a tenth of turnover has risen by a further 40 per cent. However, the overseas sales do not provide margins any better than those in the U.K.; the company competing internationally uses exports partly to keep up turnover and are prepared to quote keen prices. Back home, margins have been improved by 7½ per cent. price rises in June and August while the price of scarp iron has *helpfully* remained stable. Domestic volume may be under pressure in the second half but the increasing penetration overseas should help the record growth to continue. The prospective yield of 15 per cent. at ... looks attractive and is covered ... the half-time earnings.

Tesco profit up by 10% at half way

TURNOVER, INCLUDING VAT of £8.76m., against £7.13m., of Tesco Stores (Holdings) increased by 18.12 per cent. to £312.58m. in the 24 weeks to August 14, 1976, and pre-tax profit rose by 10.39 per cent. to £10.18m.

"Provided that there are no exceptional adversities in trading, we shall once again achieve record profitability," says Mr. Leslie Porter, the chairman. Profit for the year to February 28, 1976 was a record £25.03m.

Since the half year end, improvement in gross margin has been maintained. The annual rate of increase in expenses has moderated and, in particular, the annual wage award made earlier this month shoul dresult in a fall in operational costs relative to turnover with a resultant improvement in net margins, the chairman explains.

Earnings per 5p share for the 24 weeks improved fro m1.4p to 1.55p, and the interim dividend is raised from 0.575p to 0.6325p net. Last year's total was 1.3266p.

	24 weeks 1976 £000	1975 £000
Turnover including VAT ...	312.584	264.626
Profit	9.446	*9.421
Net interest receivable	733	500
Profit before tax	10.179	*9.321
Taxation	5.221	4.795
Net profit	4.958	4.526
Dividend	2.000	1.818
Retained	2.958	2.708

* Adjusted by £180,000 for increased depreciation charge (proportion relative to £546,000 extra charge in 1975-76 full year's accounts).

The turnover increase shows a continuing trend of improved market share, says Mr. Porter. Home 'n' Wear sales remained buoyant and more than counteracted the effect of fiscal policy which resulted in a decreased volume of turnover in cigarettes, wines and spirits.

Both economies of operation and an improvement in gross margin have contributed to the increased net profits. These have, however, been more than offset by the effect of the large increase in labour costs arising from the November 1975 award and also to the material increase in public utility costs.

During the period, new stores were opened at Smethwick and Burnt Oak, in addition to which a major extension was carried out at the Cheshunt store. Openings in the second half of the year include Maidstone, Edgbaston, Cambridge and Walsall and large extensions at Salisbury, Reading and Potters Bar.

The opening programme between February 1977 and mid-1979 provides for 28 new stores, increasing net selling area by approximately 1m. square feet in locations where planning consents have already been obtained.

See Lex

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TO-DAY

Interims—Brady Industries, Bristol Plant, British and Commonwealth Shipping, Caledonian Investments, Carlton Industries, Dawson International, J. Dykes, Exchange Telegraph, Flight Refuelling, French Kier, Lee Cooper, London and Midland Industrials, M. K. Electric, Marling Industries, Pauls and Whites, Renold, Renwick, J. E. Sanger, 600 Group, "The Times" Veneer, Triplex Foundries, Vernon Fashion, Whitbread Investments.

Finals—Akroyd and Smithers, Brockhouse, M. J. Gleeson (Contractors), Killinghall Tin, Proprietors of Hays Wharf, Renong Tin Dredging, Speedwell Gear Case, Wingate Investments.

FUTURE DATES

Interims—	
Cook (William) (Sheffield)	*Dec. 3
Imperial Continental Gas	Dec. 14
Marshalls (Halifax)	Nov. 29
Oil and Associated Invest. Tst.	Dec. 3
Watson (R. Kelvin)	Nov. 30
Finals—	
Carr's Milling Industries	Dec. 3
Medminster	Dec. 1
Phoenix Mining and Finance	Nov. 29

* Amended.

Improvement at Brasway

Without appearing to be unduly optimistic Brasway has experienced a general improvement in trading since the beginning of May, and the directors are hopeful of a good return to profitability, says Mr. R. A. Swaby, the chairman.

He reports that the company's asset base has been much strengthened in the last few months—its ship was recently sold to Nigerian interests at favourable terms—and the liquidity position is such that the dividend for the year to May 1, 1976, is raised to 2.13p net (1.995p).

As reported on October 23 a pre-tax loss of £362,598 (profit £855,576) was incurred. Exports amounted to £1,240,015 (£403,035). The business is that of iron and steel scrap processors and metal merchants.

Meeting, Birmingham, December 14 at 3.15 p.m.

McKechnie Brothers confident

IN THE CURRENT year most of the U.K. operating companies of McKechnie Brothers are expecting demand to improve slowly over the levels achieved in the second half of the year to July 31, 1976, says Mr. K. M. Leach, chairman.

Trading profits are likely to increase more gradually than in the last 12 to 18 months, but in addition there will be, for the first time, a year's profit from Ideal, less the cost of financing its acquisition.

In South Africa the business cycle, after two years of recession, is due to turn upwards, but because of the many adverse factors recovery is not now expected before mid-1977 and may be delayed until the end of that year. Nevertheless, the directors are hopeful that profits will be maintained.

Economic conditions in New Zealand are likely to force a contraction of the domestic market and much reliance is being placed on increased exports. Another satisfactory year in New Zealand and an improvement in Australia, are expected.

As reported on October 29, group pre-tax profit for the past year was £12.29m. (£8.96m.). A geographical analysis of sales (£109.7m. against £103.5m.) and operating profit (£10.9m. against £6.6m.) shows U.K. £47.8m. (£48.1m.) and £4.6m. (£2.1m.); South Africa £49.6m. (£48.3m.) and £5.2m. (£3.7m.) and New Zealand/Australia £12.3m. (£8.9m.) and £1.1m. (£0.8m.). Direct export sales from the U.K. were £8.5m. (£8.7m.).

The group is engaged mainly in non-ferrous metal and engineering fields.

Meeting, Birmingham, December 16, noon.

Tunnel higher in first half

TURNOVER OF Tunnel Holdings for the 26 weeks to September 26, 1976, increased from £15.13m. to £17.44m., and pre-tax profit emerged somewhat higher at £2.98m. against £2.11m.

The interim dividend is stepped up from 2.7142p to 3p net per 50p share, absorbing £351,887 (£318,364). Last year's total was 8.8682p from profits of £6.27m.

	26 weeks 1976 £000	1975 £000
Group turnover	17.441	15.128
Assoc. turnover	9.070	11.388
Trading profit	1.184	981
Depreciation	713	843
Share associates	1.137	939
Investment income	85	80
Interest receivable	415	253
Debenture interest	65	69
Exceptional credits	221	—
Profit before tax	2,975	2,114
Group tax	837	674
Assoc. tax	527	400
Net profit	1,611	1,040
Minority interests	11	9
Extraord. credits	66	544

* Debit.

The directors state that the group has maintained its high state of liquidity which has been justified by events during the period.

Efforts to expand activities into suitable related areas will continue, but in the present economic circumstances any such steps will of necessity be taken with care.

Since the half year, conditions in the U.K. cement sector have again deteriorated, with sales volume showing a further decline.

Difficult weather conditions during October and November have been a factor, but it would be unrealistic to expect other than continuing depressed sales levels in cement activity, with consequential effects on production volumes.

See Lex

Anglo Scottish Trust to hold 1.5p

Although it involves a small over-distribution, the directors of Anglo Scottish Investment Trust expect to be able to maintain the increased rate of dividend in the current year.

Mr. Ian Wright, chairman, says that the conversion of 775,842 25p "B" shares will add to the cost of maintaining the rate, but the estimates indicate that sufficient revenue should be earned in the present year to cover the increase and there is a very large balance of unappropriated revenue totalling £1.29m., available to be drawn on to meet any shortfall.

The final dividend for the year ended September 30, 1976, as reported on November 13, was 0.8575p net per 25p share making the total 1.5p (1.4p).

Analysis of the company's funds invested or held in cash in the U.K. show that the proportion decreased during the year from 57.2 per cent. to 49.9 per cent. The remainder is invested mainly in North America (21.8 per cent.), Far East (9.1 per cent.) and Australia (5.7 per cent.).

The benefit of these overseas holdings can be seen in the 7.9 per cent. increase to £21.4m. in the total value of the company's funds, Mr. Wright comments. With the continuing uncertainties in the outlook at home the directors have taken the view that the proportion of overseas investments should remain relatively high for the time being.

Meeting, 2, St. Mary Axe, London, E.C., December 16, at 12.15 p.m.

F. Gates higher at midway

FROM higher turnover of £8.36m. against £5.59m., profits before tax of main Ford dealers, Frank G. Gates increased from £235,953 to £355,280 in the first six months of 1976.

The results were obtained by taking advantage of a buoyant market, the directors say. The introduction of the new Cortina in the second half should help towards making a very successful year.

In 1975, the group reported pre-tax profits of £511,512.

First half earnings per 25p share are 10.1p (6.7p). Tax charge is £184,746 (£122,696) and £170,534 (£113,257) is retained.

GEORGE INGHAM

George Ingham and Company (Holdings) has been advised that for tax reasons, the company being a close company, further dividends should be paid in respect of the years to December 31, 1973, 1974 and 1975 as follows: 0.3300p, 0.48453p and 0.38845p respectively, payable on December 17.

House of Fraser third quarter upsurge

THIRD QUARTER turnover, including VAT, of House of Fraser increased by 21.4 per cent. to £109.27m. giving a total up by 17.6 per cent. to £298.77m. for the 39 weeks to October 30, 1976. And since the end of the third quarter sales are showing an increase of 28 per cent., the directors state.

Operating profit for the three months increased by 49 per cent. to £4.89m. In accordance with previous forecasts, the profit position continued to improve. Operating profit for the nine months now shows a decrease of 14.6 per cent. on the comparative period last year as compared to a decrease of 47 per cent. at the half-year.

Profit for the 53 weeks to January 31, 1976 was £20.81m. on a turnover of £396.66m.

Earnings per 25p share for the third quarter were 1.92p (1.29p) making 3.23p (3.78p) for nine months.

	39 wks. 1976 £000	1975 £000	53 wks. 1975-76 £000
Total turnover	298 772	254,071	396,664
Less VAT	19 961	17 365	38,136
Balance	278 811	236,616	358,528
Trading profit	15.232	14,990	28 303
Depreciation	3.193	2.496	3.436
Net interest paid	3.811	2.785	4.267
Operating profit	8,228	9,629	20,620
Share associates	—	—	285
Profit before tax	8.228	9.679	20 905
Taxation	4.279	5.007	10.811
Extraord. debits	—	—	103
Balance	3.948	4.622	10.001
Preference div.	24	24	32
Attributable Ord.	3,924	4,598	10,069

See Lex

Monks Trust near £1m. at six months

Gross revenue of The Monks Investment Trust for the half year ended October 31, 1976, was up from £0.95m. to £1.3m., and pre-tax revenue emerged at £963,466 compared with £783,737, after interest of £257,653 (£106,851). Tax £427,103 (£318,641).

The interim dividend is raised from 0.35p to 0.45p net per 25p share to reduce disparity. The total last year was 1.15p from pre-tax revenue of £1.58m.

Net asset value has 55.7p (52.5p), including full dollar premium of 9p (10.9p) per share, but after deducting prior charges at par.

Earnings for the half-year increased mainly because of the high rates of interest being received on deposits in the U.K. and on British Government securities purchased during the previous year, the directors state.

The improvement in income resulting from these good yields is expected to continue during the second half.

Brunning midterm recovery

FIRST HALF (to September 30, 1976) pre-tax profit of advertising agency, The Brunning Group, recovered from £220,578 to £326,572, not far short of the £380,403 for the year to March 31, 1976.

All divisions are doing well and the second half should prove to be satisfactory, says Mr. Geoffrey Brunning, the chairman.

An unchanged interim dividend of 1.1373p net per 25p share is declared costing £34,767. Last year's total was 2.925p.

	Half-year 1976 £	1975 £
Turnover	9,842,164	8,434,318
Profit before tax	326,572	220,578
Taxation	169,817	114,700
Net profit	156,755	105,878

KAYCEE CLOTHING

Shareholders of the bankrupt Kaycee Clothing Company of Kettering, Northants, were told at a special meeting yesterday that they would not be paid any money because the sale of the firm's two factories brought in £120,000 short of the expected figure. The shareholders are owed more than £100,000.

Stocklake upturn in second half

PROFITS before tax of Stocklake Holdings have doubled from £0.55m. to £1.09m., in the year ended March 31, 1976. Turnover improved by £3.49m. to £20.07m.

First half profits had fallen from £438,000 to £379,000 but the directors said it was hoped that the final figures would show a satisfactory advance compared with the previous year.

Earnings per 25p share before extraordinary items are 12.4p (4.8p). The net final dividend is 1.5p making a total of 2.25p compared with a single 1p final payment in 1974-75.

The year's results exclude the Rhodesian subsidiaries.

Downturn at New Throgmorton

Gross revenue of The New Throgmorton Trust contracted sharply from £842,805 to £451,067 in the half year to September 30, 1976. The figure for the year to March 31, 1976 was £1,898,929.

Earnings per 25p income share were down from 0.708p to 0.367p for the six months. An unchanged interim dividend of 0.45p has already been paid. Last year's total was 1.34375p net.

UDT again passing Preference

ONCE AGAIN United Dominions Trust, the finance house group which is probably the largest borrower from the major banks' lifeboat, is having to pass its Preference dividend because it cannot count on earning profits to finance it in the current half-year.

The amount in question is small, only £38,000. But, in the absence of profits or reserves to meet it, the payment cannot legally be made. Nonetheless, it is intended to pay the arrears of Preference dividends unpaid since the end of 1974 when conditions allow.

A statement yesterday by the group, headed by Mr. Leonard Mather, makes it clear that recent trading has not borne out hopes of a return to profitability after the net losses of £54.8m. and £2.8m. respectively incurred in 1974-75 and 1975-76. UDT, which was hard hit by the secondary banking crisis, still had some £375m. of support loans from the lifeboat in the autumn of this year, said the decision on the Preference dividend was based on management accounts for the four months to October and an estimate for the other two months of the half-year to December.

In the late summer, UDT's capital underwent a reorganisation which involved the injection of £10m. more cash by the group's two largest shareholders, Prudential Assurance and Eagle Star Insurance, and a £8m. a year reduction in interest charges on the lifeboat money. Mr. Mather then said that they were much better equipped to face the future to confidence. But it would appear that, in the present subdued economic climate, trading recovery has not come up to the best hopes. UDT shares closed unchanged at 13p, their year's low, last night, compared with a 1976 peak of 30p.

Confidence at Manganese Bronze

After the severe loss caused by withdrawal of public funds from the motorcycle industry in which Manganese Bronze Holdings had invested with Government participation, many hurdles have been surmounted and the future can now be viewed with greater confidence, states Mr. R. D. Poore, the chairman.

The additional business acquired in the BSA purchase has widened the spread of group interests and has added greater stability to its affairs.

As reported on November 11, pre-tax profits rose from £0.82m. to £1.28m. in the year to July 31, 1976, after lower interest of £0.7m. (£0.78m.). Turnover was £24.3m. (£20.51m.).

The proportion of trading profit absorbed by interest was reduced from 49 to 36 per cent. This proportion is still too high, members are told and until either the proportion or the gearing has been reduced to an acceptable level, cash resources must be carefully conserved.

Only occasional use has now to be made of the expensive debt factoring facility which waws initiated three years ago and only periodic use of the overdraft. The medium-term loan from the Midland Bank has been renegotiated in an amount of £450.00 for a fixed term of five years. Repayment of the £0.85m. provided by the Finance for Industry group has been renegotiated under a plan expiring in 1983.

Provided monetary inflation does not evade control entirely and circumstances allow group factories to continue at a profitable level of output, there should be an adequate cash flow to repay the loans on the due dates.

However, in both cases, interest rates vary with the market and there is some danger that rates may rise further, which could create a strain and prove difficult to support without further restriction on growth.

Meeting, 1 Love Lane, E.C. on December 17 at 12.30 p.m.

Foseco Minsep N. American profits down

The directors of Foseco Minsep state that the significant upturn in trade across the world, anticipated at the beginning of the year, has not occurred but the majority of companies within the group have responded well to the difficulties of continuing adverse trading conditions.

The rate of sales advance over the previous year shown by the interim report for the six months to June 30 has been maintained. However, profit in North America will be materially lower for the year compared with 1975.

Last year, the group, makers of chemicals and other products, reported pre-tax profits, up from £12.89m. to £14.16m. followed by improved profits of £7.94m. (£7.2m.) in the first half of 1976.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p	+ or –	Div.	Times Covered	Gross Yield	P/E Ratio
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	F.P.	7.1	[illegible]	[illegible]	Willis Faber 25p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue Price £	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price £	+ or –
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p	+ or –
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. [illegible]

Interim Statement

At a meeting of the Court of Directors of The Bank of Ireland held on 23rd November, 1976, the unaudited results for the six months ended 30th September, 1976 were considered. Based on historical accounting methods, the group profit before taxation shows at £12.5 million, a decrease of £1.5 million when compared with the preceding half year ended 31st March, 1976, but an increase of £1.5 million when compared with the corresponding half year ended 30th September, 1975.

The Consolidated Statement of Condition, taken in conjunction with the accounts, shows some deterioration in the return on total assets from 1.66% in the half year ended 31st March, 1976 to 1.53% in the present half year and a marginal deterioration compared with the half year ended 30th September, 1975, when the figure was 1.56%.

The closure of the Bank, due to the strike during the accounting period, affected its operating profit and inhibited growth in domestic resources. The results for subsidiaries reflect both the effects of the strike and the fact that in the preceding half year interest trends were exceptionally favourable.

In terms of historic accounting the results may be regarded as acceptable. In real terms, however, they were insufficient to maintain the net worth of the Bank taking into account depreciation on gilt-edged stocks at 30th September, 1976, which resulted from the very high levels of interest rates prevailing in the money market at that date.

The Rights Issue which took place in May, 1976, raising £12.052 million from the issue of £4.821 million capital stock, enables the Bank to take full advantage of opportunities to extend its activities and to continue to satisfy the needs of its customers. The increase in the amount of stock in issue has, however, naturally had an effect on the earnings per £ of capital stock which nevertheless are similar to those for the half year ended 30th September, 1975.

The Court of Directors has decided to declare an interim dividend of 4p per £1 of capital stock which maintains, on the increased amount, the rate paid on the amount in issue at the end of the half year to 30th September, 1975. It is proposed to pay the interim dividend on or after Tuesday, 21st December, 1976.

The Bank greatly regrets the inconvenience caused to the public by the closure. It is therefore, a matter of considerable satisfaction that, with the full cooperation of staff, normal services have so rapidly been restored. The Bank, in consequence, looks forward to improved results for the half year ending 31st March, 1977.

LOWER BAGGOT STREET, DUBLIN 2
23rd NOVEMBER, 1976

WILLIAM FINLAY
GOVERNOR.

Consolidated Profit and Loss Account for the six months ended 30th September, 1976 (unaudited)

	Six months ended 30 Sept. 76 £000	31 Mar 76 £000	30 Sept. 75 £000
Operating Profit			
The Bank	11,856	13,030	10,204
Subsidiaries	2,188	2,791	1,800
	14,044	15,821	12,004
Additional provision against advances	1,500	1,750	1,000
Profit before Taxation	12,544	14,071	11,004
Taxation	6,171	6,044	5,404
Profit after Taxation	6,373	8,027	5,600
Minority interest in subsidiaries	175	200	201
Profit attributable to Stockholders of the Bank	6,198	7,827	5,399
Interim dividend of 4p	1,010	1,759	797
Retained Profit	5,188	6,068	4,602
Earnings per £1 of Capital Stock (1)			
Basic	26.2p	38.3p	26.4p
Fully diluted	23.6p	33.5p	23.5p

NOTE: (1)—The figures for the current half-year take account of the Rights Issue in May 1976.

Consolidated Statement of Condition as at 30th September, 1976

	30 Sept. 76 £000	31 Mar. 76 £000	30 Sept. 75 £000
Stockholders' Funds	100,359	82,970	76,607
Loan Stocks	18,620	18,620	18,650
Minority Interests	3,364	3,191	2,975
Deposit, Current and Other Accounts	1,486,789	1,379,127	1,289,133
Other Liabilities	32,478	25,356	24,008
	£1,641,610	£1,509,264	£1,411,373
Liquid Assets	461,077	408,337	473,840
Investments	223,897	265,109	191,854
Advances to Customers	844,695	750,167	663,587
Items in Transit	61,141	36,774	39,299
Other Assets	50,800	47,877	42,793
	£1,641,610	£1,509,264	£1,411,373

Bank of Ireland

هكذا من الأصل

MINING NEWS

Mitchell Cotts' £188m. contract

BY KENNETH MARSTON, MINING EDITOR

A MAJOR contract covering an iron ore concentrator together with associated mining and support facilities, which will cost around $A250m. (£187.6m.), has been awarded in Australia to Britain's **Mitchell Cotts** group in association with the **Minenco** subsidiary of **Conzinc Riotinto of Australia**.

It arises from the proposed expansion of the **Hamersley** operation to an annual capacity of 46m. tonnes of saleable iron ore which has followed the latter's recent acquisition of a contract to supply Japanese steel mills with an additional 6m. tonnes of iron ore a year starting in 1979. Project management and detailed engineering will be handled in the joint venture of Mitchell Cotts and CRA.

Metallurgical process design of the concentrator will be carried out by Mitchell Cotts on data raising from Hamersley's test work. The plant will be able to treat 15m. tonnes annually of low grade ore, which would otherwise be discarded as waste, and upgrade the material to 7.7m. tonnes of high-grade ore.

Activities of the Mitchell Cotts group cover engineering, transport, agriculture, vehicle distribution and commodity trading. On the engineering side there are long-established links with the mining industry. Last year the group completed a large smelter complex in South Africa's northern Transvaal and continued work on the heavy media process sections of Iscor's Sishen-Saldana iron ore treatment plant.

Work was also completed on the **President Steyn** and **Free State Geduld** gold plants and at **Palabora**. The new contracts cover a R33m. (£24m.) smelter in the north-east Transvaal and a R10m. (£6.9m.) diamond recovery plant at De Beers' new Letseng-la-Terai mine in the Maluti Mountains of Lesotho. Mitchell Cotts *were 37p yesterday.*

YELLOWKNIFE LOSS GROWS

Despite a better third quarter, losses are mounting at Canada's biggest gold producer, **Giant Yellowknife**. In the three months to September 30 there was a deficit of $341,000 (£210,040) compared with a deficit of $634,000 *in the preceding quarter.*

But over the first nine months of the year the loss amounts to $974,000, or $0.226 a share, against a net profit for the same period last year of $182,000.

Although production of both gold and silver has been running ahead of last year, Giant Yellowknife has been receiving less. The average price per ounce of gold it received in the first three quarters was $116.02 compared with $165.66 in the first nine months of 1975.

PALABORA LIFTS PAYMENT AGAIN

Quarterly dividends of the **Rio Tinto-Zinc** group's low-cost **Palabora** copper mine in South Africa continue on the rising trail. The third quarterly payment now declared for 1976 is 17½ cents (12p) and follows a second interim of 15 cents and a first for the year of 12½ cents. The four quarterly payments for last year were each of 12½ cents.

Palabora's half-year net profits *amounted to R11.6m. or 41 cents* per share, compared with R9.8m. in the same period of 1975 and that year's total of R18.6m. Copper sales for the past nine months to September 30, on the other hand, have amounted to 66,248 tonnes against 74,370 tonnes in the same period of 1975.

As already reported, however, there was a planned 23-day closure of the smelter for maintenance in the first half of this year and at September 30 there were stocks of 6,495 tonnes awaiting shipment.

Meanwhile the R85m. (£58m.) expansion programme to lift annual copper production capacity by some 30,000 tonnes to 125,000 tonnes is due to be completed in March. RTZ has a 39 per cent. beneficial interest in Palabora, the shares of which were 630p yesterday.

Shell places Windarra bid

THE AUSTRALIAN arm of the international oil group, **Shell**, has *now made its bid for the half* share of the **Windarra** nickel mine in Western Australia held by Poseidon, which went into receivership last month. The offer has been placed with the receiver, Mr. Noel Buckley, not as a legal *bid but as a basis for negotiations.*

A Shell spokesman said: "It is virtually putting the ball over to the other side, to get their reaction." He would not disclose the price of the bid but commented vaguely that it was "very large by Australian standards."

Shell plans to hold discussions with Poseidon's principal creditor, the state-owned **Australian Industry Development Corporation**, which has already said that it would consider taking an equity stake in the absence of other bids. The AIDC has a Board meeting to-day and will probably use the occasion to define its attitude to the Shell offer.

At this stage there *is no indication* of the book value Mr. Buckley places on Poseidon's Windarra stake. But it seems likely that the Shell bid would need to exceed the value of Poseidon's debts to the AIDC, which were last put at $25m. (£18.7m.), to be successful. It is thought in Sydney that if the AIDC took an equity stake in Windarra it would write off this debt.

In either case there is little consolation for the Poseidon shareholders, who would receive very little from any solution involving outright purchase of the Windarra stake.

Poseidon's partner at Windarra is **Western Mining**, whose shares closed at 148p yesterday.

MINING BRIEF

LONDON TIN—Amalgamated Tin *Mines of Nigeria columbite output for* October (five weeks): 16 tonnes concentrates (September .. 13 tonnes concentrates).

BIDS AND DEALS

Higher Booker offer wins Kinloch Board approval

Booker McConnell, whose surprise £10½m. take-over bid for **Kinloch (Provision Merchants)** was rejected at the beginning of this week, has now gained the approval of the Kinloch Board with an offer of 235p—35p higher than the original terms. Booker already has a holding of 8.63 per cent. in Kinloch.

The revised offer—which involves an outlay to Booker of £12.6m. and which values Kinloch at £13.8m.—pushed the Kinloch share price 40p higher yesterday to 230p. Booker ended 2p up at 105p.

The Kinloch Board, advised by merchant bankers Schroder Wagg, are accepting the offer on behalf of their own holdings amounting to 0.3 per cent. of the equity. The offer document is expected to be issued shortly by Hill Samuel, advisers to Booker.

It is Booker's intention to maintain and further develop the business of the Kinloch group. Both groups are involved in retail and wholesale food distribution.

See Lex

INGERSOLL REJECTS LAP SENG OFFER

Ingersoll, which assembles and distributes watches in the U.K. and also deals in cutlery, knives and electronic calculators, has rejected the 33p per share cash offer from Hong Kong clock and watch distributors Lap Seng. The directors of Ingersoll, who between them control around 30 per cent. of the share capital, will shortly be writing to shareholders giving detailed reasons for the rejection. At the time of the offer, Lap Seng stated that it did not expect a recommendation from the Ingersoll Board.

Ingersoll shares remained un*changed yesterday at 35½p.*

RUMOURS LIFT LADBROKE SHARES

Speculation that there could be a possible takeover bid for *Ladbroke, the bookmaking, casino* and hotels group, saw the share price as high as 85p yesterday before it closed 3p up at 83p. However, chairman Mr. Cyril Stein —who, together with family interests, controls around 8 per cent. of the equity—stated that he was not aware of any bidder and that the Board had not been approached.

EMI, which was mainly featured in the rumours, denied that it was interested.

Over the past week it is estimated that roughly 1m. Ladbroke shares have changed hands.

RICHARDS OF SHEFFIELD

The formal offer document containing the details of Imperial Knife's £1.9m. offer for Richards *of Sheffield, sent to shareholders* yesterday reveals that the companies recently withdrew litigation proceedings against each other in respect of alleged breach of an agreement under which Imperial International Corporation (a subsidiary of Imperial Knife) was appointed the sole distributor in the U.S. of products manufactured by Richards.

TURNER & NEWALL £5M. STAKE IN FRENCH VENTURE

ing a 49 per cent. interest in a new venture which is being formed with two French companies to buy *out the Curty automotive gasket* division of Cefilac, a subsidiary of Pechiney-Ugine-Kuhlmann.

Turner and Newall is paying about £4m. for its stake and together with a medium-term loan to the new company its total investment will amount to £5m. The deal will be financed by Euromarket borrowings.

The new company will control about 25 per cent. of the French automotive gasket market, and *employs 600 people.*

Turner and Newall's partners in the deal will be Societe Anonyme Francaise du Ferodo, a company in which TandN holds 10 per cent. of the equity, and Institut de Developpement Industriel, a French semi-State corporation.

LEVERS OPTICAL PURCHASE

Levers Optical Company has acquired **Willesdon Optical Works** operating from *freehold* premises in London and Sheffield for £67,500 cash.

However, the vendors lent Levers a £30,000 secured loan which is repayable in four equal *instalments* at the end of the fourth, fifth, sixth and seventh years after completion. The rate of interest payable by Levers is 13 per cent.

The book value of the net assets acquired at March 31 amounted to £99,598, which is considered to be conservative. Willesden Optical made a net loss of £1,181 for the year to March 31.

SHARE STAKES

Mr. *Solomon Bobroff* is now beneficially interested in 601,000 shares of **Countryside Properties**. Mr. Alan H. Cherry is now beneficially interested in 1,195,258 Countryside shares, and Mr. Dudley W. Anderson is now beneficially interested in less than 10 per cent. of Countryside shares.

Wood Hall Trust, following purchases of 225,000 Pauls and Whites shares between September 14 and November 18, now holds 28.53 per cent. of the Ordinary shares.

Owing to the termination of a family trust, Mr. Peter H. Dobson and Mr. Peter R. P. Chadwick are no longer interested for the purpose of Section 33 of the Companies Act, 1967, in 511,291 J. Hepworth "A" Ordinary shares, the interest of Mr. Timothy P. Chadwick now becomes the sole interest in these shares and Mr. Peter H. Dobson is no longer interested in 10 per cent. or more of the "A" Ordinary.

The interest for the purpose of this section of Mr. Peter H. Dobson and Mr. Peter R. P. Chadwick are now 213,540 and 510,417 "A" Ordinary shares respectively.

Menteith Investment Trust—**Bricomin Investments**, a subsidiary of the British and Commonwealth *Shipping* Company, has acquired a further 150,000 Ordinary shares in the company (0.5 per cent.). Bricomin now holds a total of 4,869,432 (17.6 per cent.) of the Ordinary capital.

HANSON TRUST AND HENRY SYKES

Hanson Trust has purchased the ¼ minority interest held by Henry Sykes in **Henry Sykes Pumps Australia**. SLD Pumps, a *wholly owned subsidiary of Han*son, already owns ¾ of HSPA.

The consideration is £440,000 cash and the purchase is conditional upon relevant U.K. and Australian Government consents.

HSPA profit (before management fees and tax) for the year ended September 30, 1976, was £445,000.

An agreement has also been reached with **Richier S.A., French**, manufacturers and distributors *of a range of construction equip*ment including pumps, whereby Richier will sell to Henry Sykes *its pump manufacturing activity*, based at Courbevoie near Paris. A new wholly-owned subsidiary, Pompes Sykes S.A., will commence *trading in December.*

The acquisition will add over £1m. to Sykes' annual turnover.

STHN. INDIA TEA

In a letter to **Southern India Tea Estates** shareholders, the Board says that they see no reason to change their opinion that **Travancore Tea Estates** is "urging you to let them buy your shares at price which is a great deal less than their value and *therefore* you are recommended to refuse the offer."

Two of the directors of Southern India form a majority of the Board of Dimbula Valley (Ceylon) Tea Company, which holds 31,674 Ordinary shares (12.24 per cent.) and 1,325 Preference shares (18.15 per cent.) of Southern India.

ASSOCIATE DEAL

McAnally, Montgomery purchased last Friday 17,000 Kinloch (Provision Merchants) at an average of £1.8729 per share on behalf of associates of Kinloch's.

CARLTON BUYING OUT BRISTOL PLANT MINORITY

Carlton Industries is propo[sing] to buy out the 34.5 per [cent.] minority shareholders in Br[istol] Plant for 10p a share in cas[h] an agreed offer worth £450,00[0].

The independent director[s of] Bristol Plant (which made a [...] of £328,000 in 1975-76), advise[d by] Anthony Gibbs Holdings [are] recommending the terms [to share]holders.

In view of the offer, announcement of the Br[istol] Plant interim results for the [six] months ended September 30, will be delayed and include[d in]stead in the offer docum[ent] which Barclays Merchant Bank [on] behalf of Carlton, will desp[atch] as soon as possible.

FRUEHAUF INTEN[DS] TO PRESS ON

Mr. William E. Grace, chai[rman] of Fruehauf Corporation, w[hose] bid for U.K. trailer manufact[urer] Crane Fruehauf has la[psed] following a reference to [the] Monopolies Commission, [has] informed Crane shareholders [by] letter that the American g[roup] intends to proceed with its [bid] to acquire full control. Fru[ehauf] Corporation has a holding o[f a] third in Crane and made [an] unwelcome bid of 27p per [share] for the remainder of the c[apital at] the beginning of October.

"A great deal of attention [has] been drawn to the fact that [two] of Fruehauf's most senior [execu]tives face conviction and [...] relating to tax offences in [the] U.S. However, the latest [...] states that the offer was not [made] "as a result of the U.S. excis[e] case, nor to ensure the conti[nued] payment of royalties as a [result] of Fruehauf's license agree[ment] with Crane."

Mr. Grace tells shareholders [that] the offer was made be[cause] Fruehauf was becoming inc[reas]ingly dissatisfied with the tr[ading] *performance of Crane.* He [fur]ther points out that the [profits] forecast of £1.4m. from Cran[e for] the current financial year "w[ill be] just regaining a level of p[rofits] first achieved seven years a[go in] 1969." He states that Cr[ane's] *failure to take maximum a[dvan]*tage of the association with [Frue]hauf "has undoubtedly [con]tributed to Crane's disappoi[nting] profit level and without acc[ess to] Fruehauf technology [and] resources we believe that [the] long-term future for Cra[ne is] bleak."

On the question of the U[.S.] offences, Mr. Grace says tha[t had] it not been for the referenc[e and] comments made by Crane o[n the] matter would have been re[ported] in detail. "As it is we are [con]dent to leave this to a de[tailed] examination of the facts b[y the] Monopolies and Mergers [Com]mission."

SANTYPE

Santype International anno[unces] that as from December 13 i[t will] acquire for an undisclosed [sum] the leases, physical assets, work-in-progress, of [...] Graphics, Inc., a hot metal setting subsidiary of W. A. K[...] Inc., of the U.S.

Santype's plan is to mak[e the] company compatible in its [pro]cesses with their present [...] by installing computer a[ssisted] composing equipment to [...] with its own filmsetting s[ystems]. This will be undertaken i[n the] very near future.

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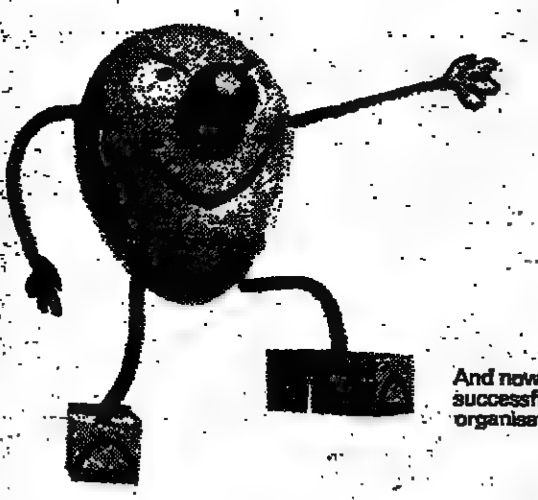

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INTERNATIONAL FINANCIAL AND COMPANY NEWS

European car sales boost for Volvo as costs rise

BY JOHN WALKER STOCKHOLM, Nov. 24

SWEDISH wage and salary costs have risen more than 40 per cent. in two years, Mr. Pehr Gyllenhammar, managing director of Volvo, states in the concern's nine-month interim report. Sweden's two primary competitor countries, the U.S. and West Germany have had a very moderate upward cost trend. The Swedish export industry has had to witness a decrease in its market shares and while international trade is currently increasing at a rate of 10 per cent. annually, the volume of Swedish exports has largely stagnated.

Sales of the Volvo group during the first nine months of this year amounted to Kr.11.4bn., an increase of 17 per cent. over sales of Kr.9.7bn. in the comparable period in 1975 when a 28 per cent. increase was recorded. Sales in Sweden rose by 26 per cent. in the 1976 period. All product groups reported higher sales for the first nine months of 1976 compared with the same period in 1975.

Volvo Group income before allocations and taxes in the first nine months of 1976 amounted to Kr.490m., equal to 4.3 per cent. of sales. In the comparable period in 1975 Volvo Group income was Kr.348m., equal to 3.6 per cent. of sales. The improvement in income compared with the same period last year is largely attributable to passenger car operations. Income of the product group responsible for construction equipment, farm and forest machinery was lower.

Although the downward trend in car sales in the United States has continued through the third quarter, there has been some compensation in the development of car sales in Europe. The Swedish market showed an increase, as did some of the other European countries. Volvo has increased its share of the expanded Swedish market during the first nine months of this year and now has a share amounting to 49,000 cars, equal to 21 per cent., compared with 19.7 per cent. or 41,000 cars in the same period in 1975.

Deliveries of the Volvo 345 model were delayed due to interruptions in the supply of components. Sales of the 66 model have been in accordance with plans. Truck sales have done well. Orders booked during the first three quarters were higher than in the corresponding period of 1975 and the order backlog was higher than at January 1, 1976.

Dresdner Bank expecting only marginal fall in 1976 profits

BY PAULINE CLARK

IN SPITE of a continuing low level of German corporate demand for credit—coupled with a persistently high level of private savings which is obliging banks in the country to dump a high proportion of their surplus funds into comparatively low yielding securities markets — Dresdner Bank's own analysts expect its current year profits to be only slightly below last year's record levels.

Dresdner, which is West Germany's second largest commercial bank, reported unchanged interest revenues at the halfway stage in June although it achieved a 4½ per cent. higher interest surplus after a 3 per cent. fall in interest expenses.

Since June, however, the pattern has appeared to reverse. A review of Dresdner's recent business performance states that the slow increase in lending which has developed since June, although likely to be offset to some extent by narrower margins, should have a favourable effect on interest revenues.

This trend augurs well for Dresdner's prospects in the coming year, too. The review of last year's earnings trend, states that since 1974 when the Government relaxed its formerly restrictive policies, "it has been above all net interest income that determines the overall results of the bank."

However, the extent to which services—comprising net commission receipts from securities, new issue and foreign business—have underpinned the bank's earnings levels at times of low domestic corporate lending activity is also outlined.

On the assets side of the balance sheet in 1975, it is pointed out that although the total inflow of funds from customers' and banks' deposits more than doubled, loans went up by only 14 per cent. under the impact of economic conditions and the major portion of excess funds of DM4.5bn. had to be invested in readily marketable securities.

Meanwhile, however, the years 1974 and 1975 saw the group's profits from interest and services rise sharply by 66 per cent. (against 14 per cent. in 1972 and 1973) and this is attributed partly to a rise in contributions from services and to a considerable boost in 1975 from securities business.

Dresdner has again been under pressure from increases in salaries and operating expenses this year. By June, they were up some 6½ per cent. and the higher interest surplus and increased revenues from securities business were not sufficient compensation.

Moreover, the bank's forecast has to be seen also against exceptional earnings last year when the major German banks all benefited substantially from foreign exchange and securities markets activities.

Phelps Dodge progress

ROCKWELL International Corporation expects earnings for fiscal year 1977, ending September 30, to be better than the $3.55 a share earned in fiscal 1976, president Robert Anderson told Reuters yesterday following an analysts meeting.

In fiscal 1976, the company's earnings from continuing operations rose 29 per cent. to $12.1m. from $94m. or $2.72 a share in fiscal 1975.

Anderson said capital spending this fiscal year should increase to over $200m. from $140m. spent in fiscal 1976. Substantially all the 1977 spending will be financed internally, he said.

GKN confident about Sachs ruling

BY A. H. HERMANN, LEGAL CORRESPONDENT

THE APPEAL against a Cartel Office ruling of May 12, 1976, banning the take-over of Fitchel & Sachs, the leading German maker of motor car components, by Guest Keen and Nettlefolds was heard by the Berlin Kammergericht yesterday. Judgment was reserved and will be announced on December 1.

Mr. Barrie Heath, GKN Chairman and now also a member of the Supervisory Board of Sachs, who flew out to Berlin to attend the hearing, said afterwards that he hoped that the court would allow GKN's appeal.

The main question the court has to answer is whether the Cartel Office was justified in finding that Sachs occupies a dominant position in the market for clutches and that this would be further strengthened if Sachs received the backing of GKN's financial muscle.

Whatever the Kammergericht decides, there is a strong probability that the losing party will appeal on various points of law to the Federal Supreme court in Karlsuhe.

The significance of the decision now expected from the Kammergericht goes far beyond the fate of the GKN acquisition, important as this is for future co-operation between the two companies not only in the German, but also in other markets.

Mr. Barrie Heath

The argument that financial strength can reinforce market dominance has been used by the Cartel Office for the first time, with the moral support of the Bonn Ministry of Economy and as advance warning of moves against conglomerate mergers.

However, several decisions made in Germany recently could explain Mr. Barrie Heath's confident expectation that the appeal will be allowed by the Kammergericht. These decisions include the Federal Supreme Court's ruling in the Merck case (as reported on this page on November 3) that financial power must be considered in the context of the market and not as an absolute factor. Also important are Bonn's reprieve of the takeover of the Artos textile machinery group by Babcock. The Cartel Office also blessed the rescue of Neckermann by Karstadt, Europe's largest department store. Approval was only granted three days ago.

Yesterday's appeal hearing lasted only two and a half hours—an achievement made possible by the custom which German judges have of digesting all documents and pleadings before the trial. Indeed, Frau Dr. Werner, who chaired the Cartel Bench, appeared to know almost by heart the thick volume prepared by the court for the oral hearing.

She had before her also a carefully prepared list of questions she wanted the parties to answer, concerning mainly the quantitative data of market shares and the likely impact of GKN's financial power under the existing conditions of the market.

Another indication of the court's keenness to speed up the appeal was a telephone call received by the two parties shortly before the hearing asking them to bring with them up-to-date market share data. This up-dating was done during the hearing when new data submitted by GKN and Sachs were agreed by the Cartel Office.

The Federal Cartel Office was represented at the appeal court hearing by Professor Kurt Markert, Head of the Merger Board of the Office.

He argued that with the added financial power of GKN, Sachs could further expand in the clutch market both by reducing the market share held by existing competitors and by preventing entry to new potential competitors.

GKN argued that Sachs does not need and would not be receiving any financial backing and even if such additional financial power were available it could not be used to suppress in competition a buyer's market dominated by motor car makers.

These could at any time start in-house production of clutches but were more likely to maintain the present competitive situation by almost allocating quotas to suppliers. No great expansion of clutch production was anticipated as more and more models are being provided with automatic gearboxes.

Mystery in Rembrandt's big profit increase

By Richard Rolfe

JOHANNESBURG, Nov. 24.

REMBRANDT GROUP has reported a big increase in profits for the six months to end September, but an air of mystery pervades the origin of the increase which the directors' comments on the profit announcement do nothing to dispel.

At the pre-tax level the rise is from R32.7m. to R52.4m., which translates post-tax into a rise from R23.8m. to R35.8m. But a big slice of the improvement is attributable to minority shareholders whose proportion is up from R3m. to R10.3m. and after allowing for Rembrandt's net share in profits retained in subsidiaries earnings per share have ended up only 2.6 cents to the good at 64.6 cents. As already announced an interim dividend of 10 cents has been paid against 8.8 cents the year before.

The Board points out that the bulk of these profits "are earned from foreign sources" which is the main justification for what might otherwise appear an obsessive secrecy. It seems almost certain that the latest pre-tax profit increase reflects changed accounting treatment for one of the major overseas subsidiaries. The Board says that "a subsidiary company which was previously accounted for by the equity method was consolidated on March 31, 1976," but it does not disclose which one.

Among other Board changes Dr. Anton Rupert, the founder of the group, who is still chairman and managing director, is to step down from the latter position and will be replaced as managing director from January 1, 1977, by Mr. J. P. Hoogenhout. Dr. Rupert, *who is 60, is relinquishing* chairmanship of the group's Services Company but remains chairman of the main Board.

The Board says that capital commitments amount to R12m. and points out that profit and other income do not accrue evenly over the year. This means, they say, that profits for the six months under review will not necessarily represent half the profits for the full year.

Argentina signs $60m. British loan agreement

BY HUGH O'SHAUGHNESSY

DR. DAGNINO PASTORE of the Central Bank of Argentina yesterday signed a $60m. loan agreement with a syndicate of British banks as part of a series aimed at raising up to $350m. for Argentina in the Western European capital markets.

Lloyds Bank International is acting as agent for 11 London based banks. The terms are 1¾ per cent. over the London Inter Bank Offered Rate for four years with a one-year grace period.

Argentina is to raise $90m. in West Germany, $10.5m. in Sweden, $30m. in France, $20m. in the Netherlands, $15m. in Belgium, $35m. in Spain and further sums still to be agreed in Switzerland, Italy and Austria.

U.S. banks are to put up $500m., Canadians $66m. and Japanese banks $75m.

The fund will be used to meet the immediate external liabilities of Argentina which were creating severe difficulties at the beginning of the year.

Dr. Dagnino Pastore admitted that his country had been facing difficulties but said that at $8bn. Argentina had a substantially smaller debt burden than other major Latin American countries.

He forecast that the present economic policies being put into practice by the government of General Jorge Videla would be substantially maintained. "Argentina needs to be kept open to trade and investment," he said. "Autarky, and the imposition of detailed controls on the economy have been shown not to work."

EUROBONDS

Equity package from Sandoz

BY TONY HAWKINS

THE BASLE-based chemical multinational group Sandoz is to raise about $120m. in the Eurobond market with a combined equity and convertible issue. The Swiss chemical firm is to issue 40,000 units which will consist of two components—a guaranteed convertible debenture due in 1988 of Sandoz Overseas Limited (a wholly-owned subsidiary) and secondly of a Bearer Participation Certificate of the parent group itself.

The debentures will be convertible into BPC's of Sandoz between October 31, 1977, and December 31, 1988. However, it will not be possible to split the units themselves until after October 31, 1977.

The BPC's are a form of equity without voting rights and often regarded as more attractive than straight equity to the extent that they trade at a discount (because they have no such rights), sometimes of as much as 20 per cent. from the ordinary equity price. Final terms for the issue will be on December 6. The lead managers are Credit Suisse White Weld, UBS (Securities) and Swiss Bank Corporation (Overseas).

Sandoz is one of the three major Swiss chemical groups in the field of dyestuffs, pharmaceuticals, agro-chemicals and foods, with 1975 group sales of Sw.Frs.3.9bn., of which 94 per cent. represented sales made outside Switzerland.

Net proceeds of the issue will be used to refinance the recently acquired leading U.S. seed company, Northrup, King and Co.

Orion Bank is lead manager for a $50m. straight bond issue for AB Gotaverken which is the largest shipbuilder in Sweden and the largest outside Japan. It is a two-tranche issue with five-year bullet notes on an indicated 8 per cent. coupon of $20m. and $30m. of eight-year bonds (average life six years) on a coupon of 8½ per cent. Both tranches are guaranteed by the Kingdom of Sweden, and final terms will be set on December 6.

In the Deutschemark sector, terms have been announced for the DM200m. World Bank private placing handled by Deutsche Bank, as lead manager, and Dresdner Bank. It is a year bullet issue, that is no early redemption feature, a 6¾ per cent. coupon and at 99¼. This itself is indicative of conditions in the Euromark sector, as previous World Bank seven-year mark issues that *have come on coupons of* 7½ per cent.

The Mexican state agency, Nacional Financiera, is placing DM60m. worth of year Eurobonds on an indicated 8¾ per cent. coupon, the manager Bayerische Vereinsbank said yesterday. Final conditions will be set to-morrow and the managers are the European Banking Company and Dresdner Bank.

Also being privately placed in the Euromark sector is an issue of DM20m. for the Danish institute, Finansieringsinstituttet for Industri of Copenhagen. Deutsche Landesbank is manager and the 5-year notes are being priced at 99¼ on a coupon of 7¼ per cent.

SELECTED EURODOLLAR BOND PRICES
MID-DAY INDICATIONS

	Bid	Offer
STRAIGHTS		
Alcan 9½pc 1989	104¼	105¼
Australia 8¾pc 1991	99¼	100¼
Bowater 9½pc 1990	103¼	104
Canadian N. Rlwy. 8¾pc '86	100	100¾
CNE 9¼pc 1985	101¾	102¾
Denmark 8¾pc 1984	98	98¾
ECS 9½pc 1985	102	[illegible]
EIB 8¾pc 1992	99¼	100¼
Erap 9¼pc 1985	102¼	103¼
Esso 8pc 1986 Nov.	100¾	104¼
Eurofima 8¾pc 1983	101¾	102¼
Granges 9¼pc 1985	102¼	103
ISE Canada 9½pc 1986	104¼	105
Massey Ferguson 9¼pc 1991	104¾	105¼
Michelin 9½pc 1988	101½	102¼
Midland Int. Fin. 8¾pc 1986	97½	98
Modo 9pc 1986	97½	98¼
Natl. Westminster 9pc 1986	99¾	100¾
Newfoundland 9½pc 1989	101	101¾
Norpipe 8¾pc 1986	102¼	103
Norsk Hydro 9pc 1991	100¾	101¼
Oslo 9pc 1988	101	101¾
Ports Autonomes 9pc 1991	98¾	99
Prov. Quebec 9pc 1984	101½	102¼
Quebec Hydro 8¾pc 1986	98	98¾
Prov. Saskatchwn. 8¾pc '86	101	101¾
Skand. Enskilda 9pc 1991	98¾	99¾
Volvo 9½pc 1985	102¾	103¼
Australia 8½pc 1983	101	101¾
Australia 8¾pc 1986	100¼	101¼
ECS 8¾pc 1981	102	102¾
EEC 8¾pc 1982	100¼	101
Kockums 8pc 1983	97¾	98¼
Michelin 8¾pc 1983	100	100¾
Montreal Urban 8¾pc 1981	100¼	101
Nacl. Financiera 10pc 1981	102	102¾
Natl. Coal Board 8¾pc 1981	100	100¾
Nw. Brunswck. Prv. 8¾pc '83	102	[illegible]
New Zealand 8¾pc 1986	99¼	100¼
Nippon Fudosan 8pc 1981	98	98¾
FLOATING RATE NOTES		
BFCE 6¾pc min. 1983	99¾	99¾
OKB 6¾pc min. 1982	99¾	100¼
Bk. Tokyo Hldg. 6¾pc min. 1981	100¼	101¼
Midland Bank 7¾pc min. '83	100¾	101¼
D. MARK BONDS		
Beecham 8pc 1983	101¾	102
EIB 8¾pc 1984	99¼	99¾
Giro Vienna 7½pc 1983	100¾	101¼
New Zealand 7½pc 1986	104	104¾
Pemex 8½pc 1983	98¼	99
Source: White Weld Securities.		
CONVERTIBLES		
American Express 4¼pc '87	83	85
Ashland 5pc 1988	94	96
Beatrice Foods 4¼pc 1992	101½	103¼
Beatrice Foods 4¼pc 1992	120	122
Borden 5pc 1992	102	104
Broadway Hale 4¼pc 1987	78	80
Canon Camera 7¼pc 1989	168	170
Carnation 4pc 1987	85	87
Chevron 5pc 1988	66¼	68¼
Dart 4¾pc 1987	85	87
Eastman Kodak 4½pc 1988	104¼	106¼
Economic Labs. 4¾pc 1987	73¾	75¾
Fed. Dept. Stores 4¾pc '85	116	118
Firestone 5pc 1988	86	88
Ford 6pc 1986	95	97
Ford 5pc 1988	84¼	86¼
General Electric 4¼pc 1987	81	83
Gillette 4¾pc 1987	72¼	74¼
Gould 5pc 1987	102	104
Gulf and Western 5pc 1988	90	92
Harris 5pc 1992	95	97
Honeywell 6pc 1986	82¼	84¼
ITT 4½pc 1987	76¼	78¼
Komatsu 7½pc 1990	99¼	101
J. Ray McDermott 4¾pc '87	136	138
Mitsubishi Elec. 7¼pc 1991	102¼	104
Mitsui 7¼pc 1990	102	103¼
J. P. Morgan 4¾pc 1987	108¼	110¼
Nabisco 5¼pc 1988	95¼	97¼
Owens Illinois 4¼pc 1987	112¼	114¼
J. C. Penney 4¾pc 1987	84	86
Pioneer 6¾pc 1988	225	
Raymond 8¾pc 1983	102¼	103¼
Revlon 4¼pc 1987	111	113
Reynolds Metals 5pc 1988	86¼	88¼
Sperry Rand 4¼pc 1987	94¼	96¼
Squibb 4¼pc 1987	77	79
Texaco 4¾pc 1988	77¼	79
Toshiba 6¾pc 1990	104	105¼
Union Carbide 4¾pc 1982	103	105
Warner Lambert 4¾pc 1987	81	83
Warner Lambert 4¾pc 1988	77	79
Xerox 5pc 1988	77¼	79¼

Source: Kidder, Peabody Securities.

BONDTRADE INDEX

	Wednesday
Medium	101.64
Long	93.32
Convertible	104.68

Firestone fears shortfall of 20%

AKRON, Nov.

FIRESTONE TIRE and Rubber said that earnings for the year ended October 31 fall 20 per cent. below a company estimate of $2 a share made in October, reports AP-DJ.

The company said an announcement of fiscal sales and earnings is scheduled for December 7.

In fiscal 1975 the company earned $134.3m., or $2. a share, on sales of $3.72bn.

It said the principal reasons for the reduced estimate: heavy foreign currency valuations and variations actual, compared with anticipated, inventory liquidation, the North American group. In addition, the company said, European continued to lag in October contrary to what had been expected.

It said its domestic sales operations were squeezed by the short time that remained in its fiscal year normal production resumed September following the end of the 131-day rubber industry strike.

Firestone said present demand is strong and expected to continue that throughout 1977.

Sales gain seen at McDonnell Douglas

McDONNELL DOUGLAS expects sales this year to be "slightly under $3.6bn." compared with $3.26bn. in ... Mr. Dolor P. Murray, corporate executive vice-president, told analysts in St. Louis, AP-DJ Jones reports.

Mr. Murray did not comment on earnings but earlier this year the company said income should exceed $85.6m. or $2.27 a share earned in 1975.

Mr. Murray added *inquiry level from commercial* airlines "is much higher than it has been in recent ..." He added "for the first time in three years our big customers United and American are talking to us."

مكرر من الأصل

هكذا من الأصل

THE COB IN PARIS

Upgrading the market

BY MICHAEL LAFFERTY

THE BRITISH Government has decided not to establish a Securities and Exchange Commission for the time being, but the arguments for and against more statutory regulation of the City and its institutions will go on regardless.

The comparison, in almost every case, is between the British self-regulatory system and the United States, which has had a statutory Securities and Exchange Commission (SEC) since the 1930s. But this ignores a major European development in the field of investor protection and stock market regulation.

Since 1968 France has its own SEC—the Commission des Opérations de Bourse, or the COB as it is generally known. Modelled to a considerable extent on the American SEC, but also striving to adopt and encourage the best of U.K. City practice, the COB has now well and truly established itself as the leading regulatory body for French corporate and financial affairs.

It was set up by the Government nine years ago with the long-term objective of encouraging savings and investment, and helping the Paris market to play a broader international role. In its 1975 annual report it lists its current objectives as: enlargement of the community of shareholders; improvement of accounting information; careful surveillance over company disclosure and information generally, particularly in cases of shareholders' disputes; and modernisation of and wider access to the stock market.

An important section of the report is given over to an analysis of the reasons why there continues to be such a disparity between the popularity of bond issues on the one hand and equity capital on the other. The COB finds this "a particularly disquieting facter" and calls for legislative changes, including tax concessions on dividends, to redress the imbalance between debt and equity.

The Commission also clearly regards the necessity to make major improvements in French auditing, accounting and financial reporting standards as a major factor in developing an active Paris equity market.

It is still far from happy with the progress made by quoted companies in their annual reports over the past few years.

"Too many companies are still taking excessive liberties with accounting standards, particularly in order to iron out fluctuations in profits between one financial period and the next," the COB declares. "The manner in which companies with long production cycles, such as those engaged in the building and public works sectors, strike their profits is found especially open to criticism on this point. Nevertheless it reports that its representations to 180 or so companies during the year "produced a distinct improvement in the quality of the reports published. The Commission is trying to standardise the information given to shareholders on movements in reserves and it is an active campaigner for inflation accounting. But most of all it wants to sort out some of the fundamental problems of French accounting as it stands at present. It has little sympathy for a situation in which taxation considerations dominate accounting practice and would "like to see annual accounts presented entirely free from fiscal constraints."

Any success in this area must depend a great deal on improvements in French auditing standards.

In 1975 the Commission examined the audit files of 51 auditors, against 26 in 1974 and it finds that many auditors still do not even have audit programmes. Overall improvements will take a long time, perhaps mainly because of the level of organisation of the profession—most auditors are still sole practitioners and incapable of carrying out sizeable audits—and for this reason the COB has found it necessary to lay down minimum auditing standards for companies seeking a Bourse listing.

Indeed, the Commission has considerable powers, including access to all company documents. It can also requisition information from anybody, including auditors.

It astonished the international accounting world earlier this year when it suspended international accountants, Price Waterhouse, from acting as reporting accountants for any new Bourse flotations. This followed a COB investigation into the collapse last year of Voyer, a medium-sized construction company which was listed in 1973.

The effect of the suspension has been out of all proportion to its technical significance—Price Waterhouse has probably not missed out on one Bourse flotation as a result—but it gave the COB time to review the firm's audit files and procedures before withdrawing the suspension. It also demonstrated, more than any other single action of the Commission, that the COB has teeth—and that when it bites, they really hurt.

The COB's 1975 report even classifies the prospectuses issued by listed companies during the year: 40 per cent. are considered satisfactory, 20 per cent. were in between and the other 40 per cent. were unsatisfactory.

Any suggestion that such comments are of no significance will be discounted by the COB's obvious success with the development of consolidated accounts. In 1971 only 104 quoted companies prepared such accounts: but persistent exhortation from the COB led 267 companies, 55 per cent. of listed companies with subsidiaries, to consolidate in 1975. But while the quantity may have improved, the COB is still far from satisfied with the quality of much of the consolidated information presented to shareholders.

The COB's interest in financial reporting does not end with the publication of annual reports. It also concerns itself with the Press, the business and financial Press in particular.

One of the first points which the Commission insisted on was a clear distinction between announcements by companies themselves and editorial comment and interpretation. But problems still remain, as the Commission admits: "A few but not insignicant cases suggest that, while the difference between company information and financial advertising is now recognised, the same is not yet perhaps always true of the distinction which company managers and the Press ought to draw between opinions expressed in the editorial columns and the allocation of a company's advertising budget among the different organs of the Press." Consequently, where any cases of undue pressure on the Press are brought to light, the COB has stated that it will "publicly denounce" the offenders.

This is just one of the many ways in which the COB seeks to protect investors. Minority shareholders now claim to find it a most persuasive advocate in takeover and merger situations, while all investors are encouraged to take their complaints to the Commission.

Erratic movements in share prices are always subject to a Commission inquiry, which may result either in demands for further information from the companies concerned or in more detailed investigations. Some of the COB's 34 inquiries in 1975 revealed that certain markets which are completely dominated by major shareholders had become unrealistic, while other investigations, concerned with the possibilty of insider dealings, led to bargains being reversed or to the disciplining of brokers' clerks and those concerned.

During 1975 the Paris Tribunal pronounced sentences on two alleged cases of insider dealing and set a legal precedent which the COB says it will bear in mind when similar cases occur in future.

Not surprisingly, such an activist body has not always had the best of relations with old-established French financial institutions. For the Agents de Change, the stockbrokers, it was a less than welcome development in an area which had previously been very much under their control. However, brokers now say the COB is far less idealistic and much more pragmatic than when it started and general relations are very much better.

The Commission is now encouraging the brokers to reform their own market. A jobber-broker system is due to be set up in 1978, more sophisticated information systems are being discussed, a new and more realistic brokerage system is on the way, as are more realistic operating times and premises for the Bourse itself. "Whatever solutions are worked out will largely determine the future role of Paris, the importance of securities in national savings, and possible ways and means of strengthening the equity base of public companies," the COB says.

Altogether, therefore, it would seem difficult to dispute that, for France, a Securities and Exchange Commission was not only desirable but essential. It has already brought much progress and innovation to what was previously a virtually static environment.

The COB makes no secret of its desire to see Paris head the international financial league table, and in order to help it get there, it has not been afraid to encourage the adoption of best practice from other markets.

Hudson Bay Mining pushes earnings ahead

● Toronto's Hudson Bay Mining and Smelting, part of the Anglo American group, had net earnings for the nine months to the end of September of $Can.4.37m. (£2.7m.) against $Can.16.3m. in the first three quarters last year. A major factor in the fall was a new production-sharing agreement Trend Exploration has signed with the Indonesian Government. Trend is 57 per cent. owned by Francana Oil and Gas, a Hudbay subsidiary. The remaining 43 per cent. is owned by another Anglo company, Minorco, which is considering writing down the book value of its investment by $US20m. (£12m).

Slowdown in petrol sales growth, and strikes, hit Ampol profits

BY JAMES FORTH

SYDNEY, Nov. 24.

A SLOWDOWN in the growth of petroleum sales and industrial strikes resulted in Ampol Petroleum's profit for the year to September 30 dipping from $A10.9m. to $A10m. Ampol adopted equity accounting last year and the latest result includes $A1.26m. entitlement to earnings of associated companies compared with $A1.54m. in 1974/75. Sales revenue actually increased almost 20 per cent. from $A248m. to $A297m.

The chairman, Mr. W. M. Leonard said the natural growth of the petroleum market had dropped off during the year to about 2 per cent. Last year it was 4 per cent. and previously 7 per cent. Strikes had affected refinery profitability and the resulting shortage of products affected the growth of the market.

The industry was unable to build up stocks between one strike and the next, so that there were always places in Australia when there was a lack of supply to meet demand. "We got down at one stage this year — and I can't be too precise about it—to a few days' stock in this country," he said.

Mr. Leonard said that if the Government accepted the recent recommendations of the Industries Assistance Commission on pricing local crude it would give Ampol about $A5m. in profits.

He said talks with Indonesian suppliers were still going on for crude oil and warned that because of a refinery capacity shortage, more petrol would have to be imported in the future, at a higher cost. Despite the lower earnings the dividend is edged up from 5.5 cents a share to 6 cents.

● The Herald and Weekly Times, the major newspaper, television, radio and publishing group, arrested a two year earnings decline to post a record $A13.0m. profit in the year to September. The result easily outstripped the $A9.5m. turned in for 1974-75. It was due mainly to publishing activities and television. The profit of its Melbourne television company spiralled from $A145,000 to $A1.4m. The result lifts earnings from 16.25 cents a share to 20.9 cents. The company had already declared a dividend for the year of 15 cents.

The accounts, released to-day, show that the group entered 1976-77 with improved liquidity. At September deposits stood at $A5.9m. compared with $A641,000 a year earlier.

Current assets of $A80.4m. exceeded current liabilities by $A29.3m.

● Kiwi International, manufacturer of shoe polish and household products, staged a strong recovery in the year to August, more than doubling profits from $A674,000 to a record $A1.68m. The result compares with the previous peak of $A1.46m. earned in 1969 and reverses a two year downtrend in earnings.

Kiwi directors said the record profit was a continuation of the "upward trend" experienced in the first half. Trading was assisted by an improvement in economies in several countries, a programme of acquisitions and developments, and a return to profits in the European operations following a reorganisation involving closure of manufacture in the U.K.

Sales rose from $A37m. to $A45m. The higher profit lifted earnings a share from 6.6 cents to 16.3 cents while the margins rose from 2.3 cents to 4.2 cents. The total payout is up from 2.5 cents a share to 9 cents.

Sales rise at Stewarts and Lloyds as profits fall

BY RICHARD ROLFE

JOHANNESBURG, Nov. 24.

STEWARTS AND LLOYDS of South Africa, in which British Steel Corporation holds 23 per cent. of the shares, has reported a fall in operating surplus before tax from R21.4m. R18.1m. on turnover up from R205m. to R209m. for the year to September 30.

With the rate of tax unchanged from the previous year at 40 per cent., but higher minority interests and a lower surplus on disposal of fixed assets, net income fell from R12.6m. to R10.2m., for earnings per share down from 55c to 45c. The board has declared an unchanged dividend of 17c and at 140c the shares yield 12.1 per cent.

With the four divisions engaged in tubing, foundries, trading and manufactured products, S and L has wide exposure across the heavy engineering sector and as such was unable to escape what the board describes as "a continuing decline in economic activity and in several sectors real shrinkage of demand."

Manufacturing volumes declined and gross margins slipped back from 10.4 per cent. to 8.7 per cent., also reflecting the commitment to pass on no more than 70 per cent. of cost increases, a commitment which is increasingly biting into corporate margins.

As in past years, the forthcoming annual report will contain a statement showing the estimated effect on the results of the change in the purchasing power of money.

Last year's statement applied factors derived from the official consumer price index and adjusted profits in terms of current purchasing power. The operating surplus was reduced from R21.4m. to R16m. on this basis and attributable earnings from R12.6m. to R7.2m. as S and L is one of the few major groups to make this adjustment, the latest report will be watched with interest but the outcome is hardly likely to help the share's market rating. Price inflation has not abated in South Africa in the past twelve months and the CPP factor will presumably reduce still further this year's lower earnings.

India move on companies

BY K. K. SHARMA

NEW DELHI, Nov. 24.

FOREIGN-OWNED industrial companies in India will not be allowed to remit profits arising out of unapproved manufacturing capacity established by them and the Reserve Bank has been asked to take action against them under the Foreign Exchange Regulation Act.

The Indian Government's decision on this follows receipt of information that many such foreign owned units have been manufacturing items far in excess of the capacity they have been licensed for.

All foreign companies have to seek permission from the Reserve Bank to carry on business in India. Most of them will be required to dilute their non resident equity holdings in accordance with a prescribed formula which calls for dilution of foreign equity holdings to 40 per cent. in most cases.

The only foreign companies that will be allowed to have higher foreign equity holdings are those with export oriented plans or which use sophisticated technology that would not otherwise be available in India.

VONTOBEL EUROBOND INDICES

14.5.76=100%

PRICE INDEX	23.11.76	16.11.76	AVERAGE YIELD	23.11.76	16.11.76
DM Bonds	102.93	102.65	DM Bonds	7.601	7.644
HFL-Bonds & Notes	98.90	99.13	HFL-Bonds & Notes	8.949	8.899
U.S. $ Strt. Bonds	101.04	101.07	U.S. $ Strt. Bonds	8.670	8.669

Bourse abolishes 'terme'

PARIS, Nov. 24.

PARIS BOURSE plans to adopt a unified cash-only market and abolish the "terme" futures market under reform proposals, Yves Flornoy, chairman of the Stockbrokers Association, told a Press conference.

The reform should be introduced at the end of the first quarter next year or during the third quarter at the latest.

Under the proposals the financial community must decide whether to adopt a classic cash market with weekly settlements between professionals and daily settlements by clients or a modified cash market with fortnightly settlements for everybody, he said.

The proposals are subject to approval by a meeting of stockbrokers due to take place before the end of the year, probably December 20, and then to approval by the Finance Ministry.

Flornoy said under each of the alternatives proposed all shares would be traded on the same market. At present 240 stocks are traded on the terme market and all 2,000 or so listed stocks on the cash market.

The possibility of carrying open positions in a limited number of shares will continue under new arrangements for borrowing cash or stocks.

Flornoy said whichever form of market is adopted the options and premium markets will continue to operate and it will be possible to experiment with Chicago-style negotiable options under the new arrangements.

Under the new system, quotation will be by open cry and by order-matching by specialists. When real time computer services are more fully developed the open cry system will disappear.

There will not be any lower limit on the number of shares a client can trade, although market quotations must be either by single shares or lots of ten with brokers themselves breaking bundles into odd lots.

Flornoy said a minimum number of stocks or a minimum value will be set for open positions, with the Bourse authorities keeping a centralised register of them and publishing the amounts of long or short open positions in the Official List.

Clients must finance open positions from their own resources or by borrowing through the money market. The present Bourse arrangements for borrowing at special rates to finance carried-over positions will end.

Reuter

WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

Early drifting in pre-holiday trading

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Nov. 24.

PRICES GENERALLY drifted in moderate pre-holiday trading on Wall Street to-day.

All Securities and Commodities Exchanges and Banks in the U.S.

Closing prices and market reports were not available for this edition.

will be closed Thursday, November 25, in observance of Thanksgiving Day.

At 1 p.m. the Dow Jones Industrial Average was off 1.66 to 947.64 but the NYSE All Common Index gained 6 cents to $54.75, while

TUESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
[illegible]	[illegible]	[illegible]	[illegible]

advancing issues held a small lead over declines. Trading volume further decreased 200,000 shares to 10.42m., compared with 1 p.m. yesterday.

Analysts said the Stock Market was likely to fluctuate between the plus and minus column with investors hesitant, in the absence of any decisive news, to take any strong posture before the week-end.

Ford Motor lost $⅜ to $56⅝ after reporting its mid-November car sales dropped 13 per cent. from the level of the year ago period.

Rockower Brothers dropped $2 to $11—a new Rental Agreement it is negotiating with **F. W. Woolworth** will reduce 1977 and 1978 earnings by about 50 cents a share.

Firestone Tire and Rubber eased $⅛ to **$23⅛**—it said fiscal 1976 earnings could be about 20 per cent. lower than the $2 a share it previously forecast.

Bally Manufacturing added $⅜ at $25, following an extra year-end dividend.

Heston shed $⅜ to $8⅜ on a loss for 1976, and it expected a loss in 1977 but a return to profitability in 1978.

Union Carbide eased $⅜ to $56⅜ on plans to offer $200m. of Debentures.

THE AMERICAN SE Market Value Index dipped 0.03 to 100.01, while declines held a narrow lead over advances. Volume further expanded 40,000 shares to 1.34m., compared with 1 p.m. yesterday.

OTHER MARKETS

Canada again lower

Sharp losses among Steels and Industrial Minings paced a quiet further erosion of prices in light trading on Canadian Stock Markets yesterday morning.

The Industrial Share Index lost 1.03 to 164.99, Golds 1.32 to 289.00, Base Metals 0.32 to 76.60, Western Oils 0.03 to 200.93, Utilities 0.72 to 135.28, Banks 2.21 to 225.96 and Papers 0.29 to 104.62.

Algoma Steel dropped $⅞ to $18⅛. **Dofasco** $⅛ to $23⅛ and **Imasco** $⅜ to $20⅛.

Noranda Mines fell $⅛ to $28⅛. **Falconbridge Nickel** $⅛ to $31⅛ and **Inco** $⅛ to $28⅛.

Northern Telecom gave way $⅜ to $30½, **Hudson Bay Oil** $⅛ to $31½ and **Canadian Pacific** $⅜ to $15.

PARIS—Irregular after a hesitant start.

Banks, Constructions and Metals were firm, Motors and Electricals were mixed, while *other sectors were lower.*

Foreign issues were generally off, although International Oils and Coppers showed some signs of resistance.

Gold Mines were weak.

BRUSSELS—*Declines predominated in slow trading.*

Steels were lower, Non-Ferrous Metals eased and Chemicals declined, but Oils advanced while Utilities and Electricals were *firm. Holdings lost ground.*

U.S. stocks eased among mostly lower Internationals. South African Gold Mines declined.

AMSTERDAM—Steady to fractionally lower in slow trading.

Most Banks and Insurances were firm, but Ennia were down Fls.1.10.

Transportations were mixed. **Holland-America Line Holding** lost Fls.1.50, but **Shipping-Union** were up Fls.0.50.

Dutch Industrials were weak. But **Van Berkel Weighing Equipment** rose Fls.1.50.

Government Bonds gained Fls.0.30 to Fls.0.50.

GERMANY—Major issues were mixed to lower.

Banks finished slightly down.

Stores were quite weak, burdened by continuing uncertainty about the proposed **Karstadt-Neckermann** merger and uncertain consumer demand. *Karstadt fell DM8 to 338, while* **Neckermann** remained suspended but were quoted at DM56 in Over-the-Counter Trading, against DM60.50 when suspended.

Major chemicals lost up to DM1, *while Motors shed DM1 across the* board.

Most Steels were lower, but Metals posted gains up to DM4 and Minings averaged gains of DM1. Machine Makers were mixed.

Public Loans were up to DM0.50 easier, with the Regulating Authorities buying DM37m. nominal of stock. Foreign Mark Loans eased.

SWITZERLAND — Generally steady in a light turnover.

Banks and Financials were irregular, Insurances firmed, while gains and losses were about equal in a moderately active Industrial sector.

Dollar stocks were easier, Dutch and German issues were maintained.

MILAN—Mixed in fairly active dealings. Operators were awaiting new developments in the talks between Industry and the unions.

Bonds were firmer in fairly trading.

OSLO—Generally quiet.

VIENNA—Slightly higher.

COPENHAGEN — Generally higher in fair dealings.

HONG KONG—Slightly lower in *slow trading.*

Hong Kong Bank were down 10 cents to $HK17.80, **Hutchison** 2½ cents to $HK2.975, **Wheelock "A"** 2½ cents to $HK2.60, **Jardine** 20 cents to $HK15.70, **Swire Pacific** *5 cents to $HK9.05,* **Hong Kong Electric** 2½ cents to $HK4.60 and **China Light** 10 cents to $HK17.40.

Hong Kong and Kowloon Wharf, however, rose 10 cents to *$HK13.80.*

TOKYO—Rally further extended on active selective buying sparked by hopes for strong reflationary measures after the forthcoming General Election, which will be held December 5.

Constructions advanced broadly in anticipation of stepped-up Public Works spending featured in the reflationary package adopted recently.

Interest revived in Consumption-Related and Cosmetic Industry shares following the Government's latest economic package.

Chemicals, Textiles, Foods, Fats and Oils, Stores, Communication Equipments and Speculative issues were all better.

Export-oriented Electricals were easier, as were Motors and Cameras.

AUSTRALIA—Narrowly mixed in listless trading.

Kathleen fell 20 cents to $A1 and **Utah** lost 5 cents to $A3.93.

Pancontinental rose 50 cents to $A8, and **Comalco** added 5 cents at $A2.

BHP rallied 16 cents to $A6.40.

Tooheys declined 9 cents to $A1.03.

JOHANNESBURG—Gold shares continued to ease in line with generally weaker overseas bullion indications.

Financial Minings followed Producers. Coppers were generally very quiet, while Platinums were fractionally weaker.

£ firmer

Sterling was slightly firmer against the U.S. dollar in the foreign exchange market yesterday. The pound's weakness on Tuesday, after the miners' decision to hold a ballot on the issue of early retirement, was followed by a demand for sterling in New York. This led to early gains by sterling yesterday, but by midday the currency had stabilised in fairly quiet trading. Mr. Len Murray's comments about the possible implications of deflationary measures by the Government led to a fairly sharp decline in late trading however.

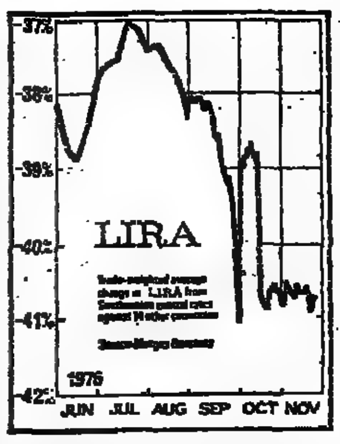
The pound opened at $1.6480-1.6500 and touched a best level of $1.6580-1.6590 in the afternoon before falling to $1.6440-1.6460, and closing at $1.6475-1.6490, a gain of 32½ points on the day. Late trading was very thin, leading to a general widening of dealing spreads.

Sterling's trade-weighted average depreciation since the Washington Currency Agreement, as calculated by the Bank of England, widened to 45.6 per cent. from 45.4 per cent., after standing at 45.5 per cent. at noon and 45.6 per cent. in early dealings.

The Dutch guilder touched its highest level against the West German mark since the realignment of the European "snake" in mid-October. Lower money market rates in Amsterdam led to speculation that a cut in Dutch Bank Rate is likely. German interest rates were firmer however, and Germany's October trade surplus was generally in line with market expectations.

The dollar's trade-weighted depreciation since the Washington Agreement, as calculated by Morgan Guaranty of New York, widened slightly to 1.82 per cent. from 1.81 per cent.

Gold fell $2 to $130¾-131¼. The krugerrand's premium over its gold content was 3.06 per cent.



SPECIAL DRAWING RIGHTS RATES

One SDR is equal to	Nov. 23	Nov. 22
Sterling	0.704913	0.692889
U.S. dollar	1.15641	1.15664
Belgian franc	42.3709	42.3557
Deutschemark	2.77192	2.78116
French franc	5.76239	5.77048
Italian lira	1000.64	1000.81
Japanese yen	—	341.903
Dutch guilder	2.88409	2.89854
Swedish krone	4.83900	4.84806
Swiss franc	2.80904	2.81572

Values are for currencies against the SDR as calculated by the International Monetary Fund in Washington.

GOLD MARKET

	Nov. 24	Nov. 23
Gold Bullion (a fine ounce)		
Close	$130¾-131¼	$132¼
Opening	$131-132	$134-1[illegible]
Morning fix'g	$131.10 (£79.358)	$134.1[illegible] (£81.78)
Afternoon fix'g	$130.75 (£79.017)	$133.4[illegible] (£81.1[illegible])
Gold Coins domestically		
Krugerrand	$133¾-135¾ (£81½-82½)	$135½ (£82-8[illegible])
New Sov'r'gns	$46½-48½ (£28¼-29¼)	$48-50 (£29-30)
Old Sov'r'gns	$46-48 (£28-29)	$44-46 (£27-28)
Gold Coins (intern'nally)		
Krugerrand	$133¾-135¾ (£81½-82½)	$136½ (£84.8[illegible])
New Sov'r'gns	$45-47 (£27½-28½)	$46-48 (£28-2[illegible])
Old Sov'r'gns	$41-43 (£25-26)	[illegible] (£25½-[illegible])
$20 Eagles	$217-220	$221-2[illegible]
$10 Eagles	$116-119	$118-1[illegible]
$5 Eagles	$76-79	$77-80

FOREIGN EXCHANGES

Nov. 24 1976	Bank Rates %	Day's Spread	Market Rates
New York	5½	1.6440-1.6590	1.647[illegible]
Montreal	9	1.6305-1.6450	1.63[illegible]
Amsterdam	7	4.11-4.17	4.1[illegible]
Brussels	9	60.2[illegible]-61.00	60.4[illegible]
Copenhagen	11	9.66-9.77	9.69[illegible]
Frankfurt	3½	3.94½-4.00½	3.95[illegible]
Lisbon	6½	51.60-52.20	51.8[illegible]
Madrid	7	112.20-113.10	112.5[illegible]
Milan	15	1,422-1,436	1,42[illegible]
Oslo	6	8.60-8.68	8.61[illegible]
Paris	10½	8.19-8.26	8.21[illegible]
Stockholm	8	6.88-6.97	6.90[illegible]
Tokyo	6½	480-495	485[illegible]
Vienna	4	28.00-28.40	28.1[illegible]
Zurich	2	4.00-4.07	4.00[illegible]

* Basic discount. † Rates given convertible franc. ♦ Financial franc 60.35.

OTHER MARKETS

			Notes	Rate
♦Argen'na	412.45-412.85		Argentina	[illegible]
Australia	1.5422-1.5456		Austria	[illegible]
Brazil	19.40-19.60		Belgium	[illegible]
Finland	6.30-6.42		Brazil	[illegible]
Greece	60.311-61.037		Canada	[illegible]
Hong Kong	7.8200-7.8450		Denmark	[illegible]
Iran	114-118		France	[illegible]
Kuwait	0.470-0.480		Germany	[illegible]
Luxemb'g	60.40-60.60		Greece	[illegible]
Malaysia	4.1880-4.1820		Italy	[illegible]
N. Zealand	1.6999-1.7169		Japan	[illegible]
Saudi Arab	5.77-5.87		Netherl'nds	[illegible]
Singapore	4.0455-4.0575		Norway	[illegible]
S. Africa	1.4280-1.4357		Portugal	[illegible]

EXCHANGE CROSS-RATES

Nov. 24	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Fr'nkfu't	—	2.407-408	48.16-22	6.16-6	3.980-985	96.96-96.02	98.82-88
N. York *	41.59-61	—	20.08-08	2.7225-730	1.650-6510	39.94-96	41.06-08
Paris	207.425-835	4.9815-9915	—	13.599-625	8.230-255	199.05-45	204.5½-828
Brussels	15.23-27	36.66-69	7.34-36	—	60.60-75	14.73-67	15.04-07
London	3.95¼-69	1.6475-90	8.21½-222	60.40-60.80	—	4.13-14	4.00¼-03¼
Am'rd'm.	104.225-275	2.5027-52	50.21-26	6.36-841	4.13½-14½	—	102.78-83
Zurich	101.67-75	2.4448-56	48.99-04	6.66¼-6700	4.045-0605	97.42-50	—

U.S.$ in Montreal. U.S.$=99.18-20 Canadian cents.
Canadian $ in New York. C$=100.75-77 U.S. cents. U.S.$ in Milan 865.25-865.75.
Sterling in Milan 1429.60-1430.00. *Rate for Nov. 23

EURO-CURRENCY INTEREST RATES*

Nov. 24 1976	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
†Short term	16-16½	4⅝-4⅞	8-9	6¾-7¼	4⅞-5⅛	1-1⅛
7 days notice	16-16½	4⅝-4⅞	8¼-9¼	6¾-7¼	4⅞-5⅛	4-4¼
Month	15¼-15¾	4½-4¾	8½-8¾	7¼-7½	4½-4⅝	2⅛-2⅜
Three months	15¾-16¼	5-5¼	8¾-9	7¼-7⅝	4½-4⅝	2⅜-2⅝
Six months	15⅝-16⅛	5¼-5½	8½-8¾	7¼-7½	4¹⁵⁄₁₆-4¹³⁄₁₆	2⅞-2¹³⁄₁₆
One year	15⅛-15⅝	5⅝-5⅞	8½-8¾	7⅛-7⅝	4¹³⁄₁₆-5⅟₁₆	2¹⁵⁄₁₆-3⅟₁₆

Euro-French deposit rates: two-day 10¼-10½ per cent.; seven-day 10¼-10½ per cent.; one-month 10¼-10½ per cent.; three-month 11¼-11½ per cent.; six-month 12¼-12½ per cent.; one year 11¾-12¼ per cent.

Longer-term Eurodollar deposits: two years 6¾-6⅞ per cent.; three years 7¼-7½ per cent.; four years 7½-7¾ per cent.; five years 8¼-8½ per cent.

The following rates were quoted for London dollar certificates of deposit: one-month 4½-4⅝ per cent.; three-month 4⅞-5 per cent.; six-month 5⅛-5¼ per cent.; one year 5½-5⅝ per cent.

* Rates are nominal closing rates.
† Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two days' notice for guilders and Swiss francs.

FORWARD RATES

	One month	Three months
[illegible]	[illegible]	[illegible]

Six-month forward U.S. dollar [illegible] pm. and 12-month [illegible] pm.

Indices

NEW YORK —DOW JONES

	Nov. 23	Nov. 22	Nov. 19	Nov. 18	Nov. 17	Nov. 16	1976 High	1976 Low	Since compilation High	Since compilation Low
Industrial	949.30	955.87	948.80	950.13	936.08	935.54	1014.79 (21/9)	858.71 (2/1)	1051.70 (11/1/73)	41.22 (8/7/32)
Home Bonds*	93.54	93.25	93.25	93.06	89.07	89.90	93.34 (23/11)	85.68 (15/7)	—	—
Transport	223.97	225.74	221.90	221.99	219.40	215.44	231.7 (14/7)	175.69 (2/1)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	101.29	101.10	100.24	100.40	99.05	98.45	101.28 (23/11)	84.3 (28/5)	163.32 (20/4/69)	10.58 (28/4/42)
Trading Vol. 000's	19,060	20,930	24,530	24,000	19,200	21,020	—	—	—	—

* Basis of index changed from July 1.

	Nov. 22	Nov. 15	Nov. 8	Year ago (approx.)
Ind. div. yield %	4.34	4.56	4.07	4.48

STANDARDS AND POORS

	Nov. 23	Nov. 22	Nov. 19	Nov. 18	Nov. 17	Nov. 16	1976 High	1976 Low	Since compilation High	Since compilation Low
*Industrials	113.71	114.51	115.77	115.74	112.30	111.98	120.89 (21/9)	101.64 (2/1)	134.54 (11/1/73)	3.52 (30/6/32)
†Composite	101.95	102.59	101.92	101.66	100.61	100.04	107.83 (21/9)	90.90 (2/1)	120.24 (11/1/73)	4.40 (1/6/32)

	Nov. 17	Nov. 10	Nov. 3	Year ago (approx.)
Ind. div. yield %	3.94	3.69	3.76	3.75
Ind. P/E Ratio	11.35	11.14	11.55	11.84
Long Govt. Bond yield	5.56	5.56	5.59	6.14

N.Y.S.E. ALL COMMON

Nov. 23	Nov. 22	Nov. 19	Nov. 18	1976 High	1976 Low
54.69	54.87	54.61	54.66	57.51 (21/9/76)	47.06 (2/1/76)

Rises and Falls	Nov. 23
Issues Traded—1,883	Up—654
Down—760	Same—469
New Highs 72	New Lows 11

MONTREAL

	Nov. 23	Nov. 22	Nov. 19	Nov. 18	1976 High	1976 Low
Industrial	166.74	167.48	167.81	167.89	207.55 (19/6)	164.84 (17/11)
Combined	168.77	168.52	168.69	162.44	199.78 (20/6)	162.44 (17/11)
TORONTO Industrial	169.64	169.24	168.81	167.72	197.46 (30/6)	164.97 (17/11)
JOHANNESBURG Gold	176.7	178.0	174.7	170.7	236.7 (12/5)	115.3 (25/8)
Industrials	174.1	174.8	174.8	174.3	216.0 (21/6)	173.9 (17/11)

	Nov. 24	Previous	1976 High	1976 Low
Australia (a)	407.34	407.47	683.63 (18/6)	407.34 (24/11)
Belgium (b)	93.32	91.51	115.18 (5/3)	91.15 (25/10)
Denmark (d)	99.45	99.86	117.70 (13/8)	96.96 (25/11)
France (e)	52.7	52.7	74.8 (3/5)	52.5 (25/10)
Germany (f)	722.8	721.9	821.7 (17/5)	687.7 (29/10)
Holland (g)	84.5	84.8	105.3 (5/2)	77.9 (13/10)
Hongkong (h)	385.55	387.14	465.33 (17/3)	354.06 (2/1)
Italy (k)	70.40	70.78	91.37 (23/2)	64.93 (10/11)
Japan (m)	347.34	344.72	359.51 (1/6)	326.28 (5/1)
Singapore (n)	246.56	247.53	285.16 (5/3)	236.30 (2/1)
Spain (p)	73.95	73.47	100.75 (7/5)	72.22 (11/11)
Sweden (q)	381.14	384.30	476.35 (10/6)	365.41 (5/11)
Switz'l'd (r)	265.2	265.4	296.6 (12/5)	260.5 (10/11)

Indices and base dates (all base values 100 except NYSE All Common—50, and Standards and Poors 10): (a) Sydney All Ord. (b) Belgian SE 31/12/63. (d) Copenhagen SE 1/1/73. (e) Paris Bourse 1961. (f) Commerzbank December, 1953. (g) Amsterdam Industrial 1970. (h) Hang Seng Bank 31/7/64. (k) Milan 2/1/73. (m) Tokyo New SE 4/1/68. (n) Straits Times 1966. (p) Madrid SE 31/12/74. (q) Stockholm Industrials 1/1/58. (r) Swiss Bank Corp. 31/12/58. (u) Unavailable. ‡ Excluding bonds. * 400 Industrials. † 400 Inds., 40 Utilities, 40 Finance and 20 Transport. (c) Closed.

OVERSEAS SHARE INFORMATION

Investment premium based on $2.60 per £—121¼% (120½%).

NEW YORK

Stock	Nov. 23	Nov. 22
[illegible]	[illegible]	[illegible]

CANADA

Stock	Nov. 23	Nov. 22
[illegible]	[illegible]	[illegible]

GERMANY ♦

Nov. 24	Price Dm.	+ or —	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

PARIS

Nov. 24	Price Frs.	+ or —	Div. Frs.	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AMSTERDAM

Nov. 24	Price Fls.	+ or —	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

MILAN

Nov. 24	Price Lire	+ or —	Div. Lire	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BRUSSELS/LUXEMBOURG

Nov. 24	Price Frs.	+ or —	Div. Frs. Net	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

SWITZERLAND ♦

Nov. 24	Price Frs.	+ or —	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

COPENHAGEN

Nov. 24	Price Kroner	+ or —	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

VIENNA

Nov. 24	Price %	+ or —	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AUSTRALIA

Nov. 24	Aust. $	+ or —
[illegible]	[illegible]	[illegible]

TOKYO ¶

Nov. 24	Prices Yen	+ or —	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Source Nikko Securities, Tokyo

STOCKHOLM

Nov. 24	Price Kronor	+ or —	Div. Kr.	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

OSLO

Nov. 24	Price Kroner	+ or —	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BRAZIL

Nov. 24	Price Cruz	+ or —	Div. Cr.	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Vol. Cr. 57.5m. Shares 23.5m. Source—Rio de Janeiro SE.

JOHANNESBURG

MINES

November 24	Rand	+ or —
[illegible]	[illegible]	[illegible]

INDUSTRIALS

	Rand	+ or —
[illegible]	[illegible]	[illegible]

SPAIN ♥

Nov. 24	Per cent.	
[illegible]	[illegible]	[illegible]

NOTES: Overseas prices shown below exclude $ premium. Belgian dividends are after withholding tax.
♦ DM50 denom. unless otherwise stated. ♥ Ptas.500 denom. unless otherwise stated. ♣ Kr.100 denom. unless otherwise stated. ♦ Frs.500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. § Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs, including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. w Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. Δ Interim since increased.

مكرر من الأصل

هكذا من الاصل

The conundrum of a free Press

YOU DO not have to agree with Nora Beloff's views—she has been political correspondent of *The Observer* for 10 years—to admire her writing. The words used are simple and clear; and the flow of thought carries the reader along from paragraph to paragraph and from page to page. So it is with her book "*Freedom under Foot*,"* with its subtitle "*The Battle over the Closed Shop in British Journalism.*"

Judged, then, purely as a piece of instant history, in which the main characters seem to have co-operated, this is a good book and I like it. Michael Foot could well disagree. Judging from the correspondence between him and Nora Beloff, published as an appendix, he has no great admiration for her lucidity. (In a reply to one of her letters he says "I am afraid it is completely muddled from beginning to end." Foot was not a protégé of Beaverbrook for nothing.) And he is, of course, the villain of the book, stubborn, irascible, sometimes charming, sometimes rude, but always knowing what he wanted and determined to get it. The opposition had none of this cohesion, so Michael Foot won.

If the book is meant to be a thesis on how not to conduct a campaign then it is most effective. Here is a group of seemingly powerful and influential men: first the provincial editors, and then the Fleet Street editors, then Arnold Goodman, with one or two other names popping up from time to time, who achieved nothing, at least nothing tangible. Indeed, it can be argued, and has been, that the end result was worse from their viewpoint than it was at the beginning. Why?

The book does not specifically ask that question but it does supply most of the answers. There was, of course, no real plan, possibly because Fleet Street editors never have been a united group for any length of time. They are individuals working under different types of management, with differing degrees of authority and occupying different positions in the political spectrum. They can come together for a short time on some emotive subject —the "D" Notice furore, for example — but they soon drift apart as they did on this occasion. (This is really as it should be. A Guild of Fleet Street editors would be a menace.)

Then there was Lord Goodman, a man of many talents, great influence, and great charm. Nora Beloff rather suggests that he was the wrong man to lead the fight. He may have been, but who and where was the right one? Goodman would be the last to claim that he is a political in-fighter. He is much more a builder of bridges, but to build a bridge there must be some firm ground and support on either side of the ditch and he did not have that. This lack of consistent support was, indeed, the heart of the matter. The claim that the freedom of the Press was threatened by a journalists' closed shop failed to produce any public response and only intermittent support from groups in various seats of power.

There is no reason to be surprised at this. Fleet Street as a whole has been disliked at Westminster since the days of Stanley Baldwin, and even before, although, of course, there have been individual exceptions to this. (The brief love affair between the Press and Harold Wilson at the start of his first administration is an example.) But more fundamental still lies this question: granted the Press should be free, who then will control that freedom? Michael Foot used this and by doing so created doubts in many minds. The excesses of former Press barons still rankle, and after all worker participation in some form is official Labour policy.

Michael Foot and Nora Beloff: villain and author.

Everyone connected with Fleet Street and many outside it, will have his own ideas about the real meaning of freedom. My own view relates to my own experience which was ideal. Having been appointed by the Board, who always, of course, had the right of dismissal, one was left completely alone to work with the staff and within the general philosophy of the paper. Other editors have enjoyed, and still enjoy, the same status: but not all. Some must always be wondering how long they will last—how many editors has the Express had, for instance, since the days of Christiansen? Others have directors or Editors-in-Chief above them who exercise the real authority.

The pattern varies according to the traditions, the philosophy and the product of the individual newspaper houses. But there is one common factor in them all. There is always someone who has the final word in what the paper says and prints. You cannot run a newspaper by a committee. You can try but you will fail in the same way as the Scottish co-operative venture did. This leads me to the final words in Nora Beloff's book. "It was the end of a battle. But by no means the end of the war."

"War" is a strong word, "battle" would be a better one. What she fears is that a strong and militant National Union of Journalists will, through a closed shop, effectively run the paper rather than the editors or whoever does it now. This possibility, of course, exists, for there are those in the profession who will do their best to bring it about. But those who become worried and depressed should remember this: the vast majority of journalists want to work for a paper, or any other part of the media, which is successful. They need a good editor, therefore, every bit as much as the Board does. There will be demands for more consultation and participation, of course, because we live in a society which wants this. But provided there is vigilance and honesty, the freedom of the Press, as I understand it, will remain. A personal disagreement with Nora Beloff's use of that one word "war" does not in any way detract from the considerable merit of her book.

Gordon Newton

**Published to-day by Maurice Temple Smith £4 hardback, £1.95 paperback, 174pp.*

Sir Gordon Newton was Editor of the Financial Times between 1950 and 1972.

Liberator for Keigher · Spare parts · Purchasing

BY MICHAEL DIXON

DESPITE his affected accent, the helpful man who answered the telephone to customers was a definite asset to Tek Translation when it started business a dozen years ago. Several callers strongly recommended the telephone operator to Tek's chief executive. Bernard Keigher.

What they were not to know was that the operator was the self-same Mr. Keigher, disguising his voice through a handkerchief. Nor were they to know that the man who was offering their companies a comprehensive foreign-language translation service did not—and still does not — speak any language other than English unless one counts Geordie as a separate tongue.

Apparently the Tek group came into being the last time Bernard Keigher decided to do something different. At university along with Trevor Griffiths, author among other things of the Bill Brand MP television series, Keigher wanted to write plays, but instead became an advertising copy writer.

With his 30th birthday hurrying on, he decided that copy writing was "profitable but pointless," trained as a teacher and then booked himself to take a PhD with a view to becoming an English lecturer in a university. But his wife, fed up with being hard up, objected and her husband, having kept in touch with numerous aspiring writers of varied nationalities, had the idea of using their freelance services as the basis of a translation company.

So it was that Bernard Keigher, equipped with a £500 loan as well as telephone and handkerchief, began his second career. "It took me three days to buck up courage to make the first telephone call," he says. But the call, to Pye, paid off, and so did several others.

At the end of the first year the one-man, two-voiced business backed by a growing list of part-time translators had made £900.

To-day it employs towards 50 full-time staff in four companies, has a panel of some 6,000 translators into foreign languages whom it can call on, and has a turnover of about £500,000. Having real telephone operators on the payroll, Mr. Keigher bolsters the company image in a different way—he drives a new Rolls-Royce.

"But I only drive it because it helps the business. People tend not to be quite so condescending when you roll up in a car like that. But it's a funny thing. Before I could afford it, I got a lot of excitement out of wanting to have a Rolls. Now it's there, all I feel is the disappointment of having got one."

Yes, as you may have gathered, 42-year-old Bernard Keigher has once again decided that what he is doing is profitable but personally pointless, and wants to try something else. "God knows what," he says, "a little bit of uncertainty for a change. I've been too serious for too long, and I've got to go."

The only snag is that, before he does so, he has to find someone to replace him as managing director of the Tek group. "And though it's important that whoever comes in fits amicably into the business, it will have to be a person who is very different from me."

The original company, Tek Translation and International Print, is still the mainstay handling translating work ranging from single letters to the complete documentation involved in vast contracts such as the setting up of power-generation plants overseas. This company's two dozen staff are occupied mainly in either marketing: dealing with the writers who produce the translations; or managing the production of leaflets and other print, films, publicity displays and so on, again with copious use of freelance workers.

Another company — Tek Arabic and Farsi Typesetting—employs 16 and deals with translation for the benefit of people from the Middle East of magazines, shoppers' guides and the like.

Tek Graphics, a print-design concern, and Tek International, with offices if precious little else in Paris, make up the group, although a one-man operation has recently been started in Dusseldorf mainly to sound out the indigenous demand for commercial translation services in West Germany.

"The thing is," says Bernard Keigher, "that although we have the excellent base of the main company and are dealing in various money-making ways in various markets, as a group we've never settled down and set about using our resources in a concentrated way. Personally, I find it very difficult to plan more than a few days ahead, you see. I just do things.

"What's needed now is a youngish person who is much more of a professional manager, a strategic thinker and planner who is able to rationalise an enterprise which, frankly, I think now has too many facets."

The best background for candidates, he thinks, would be service industry operating in direct contact with the customer—advertising, for instance. "That feel for the customer's wants is all important in business like this. I'd say that one of my main advantages has been that from the age of eight I spent a lot of my school holidays serving people in a shop. Getting custom depends not only on doing a good job, but on people liking to deal with you. Whoever comes here will have to have that attitude built in."

Candidates will also need to have a career record showing a succession of definite managerial achievements, and to demonstrate how these have equipped them to assume charge of a plethora of activities and plan and organise them for coherent and profitable development. Foreign language skills are not essential.

"But no autocrats need apply," Mr. Keigher says. "We have a group of intelligent people here who share in the profits of the company, and I'm not going to have them saddled with a whip-cracking executive, even though that might make the profits twice as large."

The London-based newcomer will be answerable to Bernard Keigher, but once installed adequately in the company will see very little of him. "I'm off. And I'll tell you this: even if my coming back to take over again on a full-time basis was the only way of reviving the company, I wouldn't do it. I won't need the money, and life is short. I haven't got any more years to spare for doing the same things again."

The salary offer is around £16,000, plus car and other benefits. Mr. Keigher's address is 11 Uxbridge Road, London W12 8LH—telephone 01-749 3211.

Diesel bits

THE NEXT two jobs are being handled by headhunter David Munns, managing director of Korn/Ferry Dickinson at 20, Queen Street, London W1X 7PJ—tel. 01-629 7566.

The first is in Shrewsbury as parts manager of the diesel division of Rolls-Royce Motors. The 700-employee division has about 25 per cent. of its business in spare parts, the majority of which are made on the premises for about 100 distributors dealing in various countries with engines for trucks, generators, and earth-moving, marine and military equipment.

Responsible to marketing director George Reeves, the recruit will have charge of the £6m. turnover spare-parts operations, from the formulation of stocking policy to the delivering of the goods.

David Munns's preferred candidate for this new post would be a numerate and commercially minded person already managing a similar range of activities in a smaller concern or in the relevant assistant manager's slot in a big one. "And there's a definite need to know about engineering diesel or automotive products."

Someone at the younger end of the 35-40 age range would also be preferred.

The salary is not specified but, bearing in mind the size of company, I would think the figure must be £6,000 or thereabouts.

Pharmaceuticals

THE SECOND offer through Korn/Ferry Dickinson is a purchasing controller's post near Newcastle on Tyne with the Sterling Organics division of the U.S.-owned Sterling Winthrop pharmaceuticals group.

The division's seven-year-old plant at Cramlington puts some 200 varied raw materials into takeable form as tablets and so on to the tune of about £20m. turnover a year, only abou per cent. of which goes to parent group.

At present the plant's er eering equipment does not within the £9m. budget of purchasing controller, safety equipment and pr tive clothing does. The r concern, however is the ne ating of chemicals and such with 100 suppliers. About 3(cent. of the purchasing bu goes overseas, mainly to Eu but also to America, so the involves some travel. Abou of the current contracts worth £100,000 or more.

Four staff report to the chasing controller, who is ponsible upwards to D Dearden, the comme development director.

Candidates should be 30 who would see the job furthering their ambitions doing similar work in chemicals and/or pha ceuticals industries for at five years.

Once again, salary is quoted, but I would guess the circumstances and around £7,000. Car. Wor Cramlington would enable recruit to live by the sea in area where a three-bedr house can still be bought around £10,000.

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for analytically minded entrepreneurially motivated, self sufficient manager. We are retained and fully authorised by European investors to acquire substantial interests in small, know-how-rich companies in a number of countries and to develop their unexploited overseas potential. This involves scrutinising selection and negotiations and subsequently very active involvement in management planning and implementation of mainly overseas expansion. We require an additional member, personally compatible with our small London based central team. We do not offer a cosy, prestigious, well-defined job but a stimulating and varied challenge for the realistic and reliable achiever who eventually can be left to forcefully but patiently develop and supervise two or three small but expanding companies.

Typically you have an MBA equivalent and a demonstrable success record. You are under 40 and impatient about your present prospects. You have learned to value the importance of marketing orientation as well as financial logic and personal motivation. You should have overseas experience and languages, nationality irrelevant. Please send complete C.V. and comment why you would match the above to: The Chairman, Capital Partners Intl., 14 Bolton Street, London W1Y 7PA.

Remploy

Remploy Limited is Government-sponsored and has recently joined the Employment Service Agency of the Manpower Services Commission.

Remploy's primary objective is that of a social service to provide industrial employment to severely Disabled People in conditions as near as possible to normal industry. Its method of operation is to run a series of businesses as efficiently as possible.

Remploy has—more than 10,700 employees, over 8,200 of which are severely Disabled in 21 different physical and mental categories. 87 Factories from Aberdeen to Redruth. 150 products and services including Bookbinding, Furniture, Knitwear, Luggage, Orthopaedic Appliances, Packaging and Assembly, and Protective Clothing. Current sales of over £23,000,000 per annum including over £450,000 Export, obtained in full competitive conditions (11% and 150% up respectively so far on previous year).

Personnel Director

Remploy's Personnel Director is shortly due to retire.

We seek a replacement, to be directly responsible to the Managing Director, and to guide and assist line management throughout the organisation on all personnel matters including management development and training. He/she will lead the Head Office Personnel team and Personnel Managers in the field as well as administer the Chief Medical Officer and over 80 part-time Factory Doctors.

The Personnel Director has to assist in encouraging severely Disabled Employees to develop their abilities and make the greatest contributions of which they are capable to the enterprise. Normal personnel policies thus take on an unusual and challenging dimension.

Qualities sought include—sensitivity and understanding, and practical appreciation of the problems of severe physical and mental disablement, combined with business efficiency. Capacity to learn from past successful experience of a 31 year-old Company yet to initiate new projects. Realistic sense for politics and current affairs.

Proven good track-record of personally negotiating in a senior capacity with Trade Unions is essential.

Terms. Age preferably under 50, with opportunity for blocked "fast-runner" to come forward. Contributory Pension Scheme recently modernised. Salary—in range £6,960 to £9,210 p.a., subject to review. Company car—2,000 c.c. Holiday 23 working days. Base—North London, but considerable travel Scotland, England and Wales, and staying away from home on quite frequent occasions essential.

Applications, preferably typed, from external and internal candidates, with recent photograph marked "Strictly Confidential—P.D." to, Managing Director, Remploy Ltd., 415 Edgware Road, Cricklewood, London NW2 6LR.

Deputy Pensions Manager

The General Electric Company Limited invites applications to fill the vacancy of Deputy Pensions Manager, a new position in the office, at Stafford.

The person appointed will be responsible for the co-ordination of the administration of pension schemes involving about 80,000 members, including monthly payments to 30,000 pensioners.

Applicants, male or female, are likely to be in the age range 35–45 and they should have experience of the administration of large pension schemes, together with a sound knowledge of the law and practice relating to pension schemes.

The successful candidate must be capable of motivating a large staff in a very busy department, where a large volume of varied work needs to be dealt with expeditiously but in an understanding and individual manner.

Salary will be negotiable according to experience but is likely to commence in the range £8,000–£9,000 p.a., and relocation expenses will be met where appropriate.

Applications, giving full details of experience, qualifications and current salary, should be sent to:

GEC

M. R. Bates,
The General Electric Company Limited,
1 Stanhope Gate,
London W1A 1EH.

Assistant Investment Manager

Central Trustee Savings Bank Limited invite applications for the position of Assistant Investment Manager. It is anticipated that the successful applicant will be a competent investment analyst and have had experience of fund management with an institutional investor. A comprehensive knowledge of equity markets is a requirement and some knowledge of British Government Securities would be an asset. Although it is unlikely that an applicant under 30 years of age will have sufficient experience to fill the position there is no preferred age range.

Applications, from either male or female candidates, should be addressed to:

The Assistant General Manager Administration
Central Trustee Savings Bank Limited
3 Gracechurch Street
LONDON EC3P 3BX

TSB

Company Secretary

Rural West Midlands c £7000

To join the senior management team of a well established national financial institution.

Reporting to the General Manager, you will have responsibility for company secretarial duties including Board Meetings, legal matters concerning the Company's properties/leases and for new and prospective legislation.

Preferably aged 45-55, you will be a Chartered Secretary with previous experience in functioning at Board level and, ideally, with legal experience gained in a commercial/financial environment.

Contact: Gerry Weekes - Coventry (0203) 29495

PER PROFESSIONAL and EXECUTIVE RECRUITMENT

GENERAL APPOINTMENTS ARE CONTINUED TODAY ON THE FOLLOWING PAGE

International Banking Opportunities

A major International Bank wishes to recruit a number of well-trained bankers whose experience equips them for executive duties in either an overseas branch or the City Head Office. Preference will be given to candidates who have gained both lending and branch administrative experience.

Applicants, aged 27 to 33, will ideally have the following qualifications and experience;

- at least five years' practical banking experience which should also include branch banking operations
- corporate and international lending skills
- branch administrative experience overseas
- knowledge of foreign exchange operations
- proficiency in a European language
- appropriate professional qualifications.

Successful candidates should be prepared to assume executive posts overseas or in London after an induction period at the Bank's City Head Office. Career development opportunities could lead to further executive positions either in the branch network overseas or London.

The Bank offers competitive salaries, with special overseas remuneration terms, which are likely to be attractive to those whose current salary is around £4,500 to £6,000 p.a. in the UK.

Please write with full details. These will be forwarded direct to our client. List separately any companies to whom your application should not be sent. Ref. B.1385.

This appointment is open to men and women.

ASL RECRUITMENT ADVERTISING
A member of MSL Group International
17 STRATTON STREET
LONDON
W1X 6DB

Company Secretary

Central Southern England

A long-established company of manufacturing engineers and founders with sales of £6m. requires a Company Secretary due to the retirement of the present Secretary in 1977. The factory is located in a pleasant University town, employs some 550 people and exports about 50% of its output.

In addition to meeting the usual statutory requirements the Secretary must be capable of exercising effective financial controls particularly in the costing and pricing areas and must have had managerial experience in a manufacturing environment.

Candidates, probably aged 40 to 50, must be suitably qualified or graduates. They should be articulate, possess analytical skill and should later be able to qualify for a Board appointment. They must be responsive to a close and informal relationship with the Directors.

Starting salary £7,500 to £8,500; car; re-location help and other benefits.

Please send brief relevant details – in confidence – to S. W. J. Simpson ref. B.38227.

This appointment is open to men and women.

MSL World wide
Management Selection Limited
17 Stratton Street London W1X 6DB

BANK MARKETING EXECUTIVE

North-East Midlands

We are a long-established City based institution which provides professional financial services to substantial industrial and commercial companies.

Applicants for this stimulating position should be both numerate and personable, with appropriate financial experience or qualifications. The salary and benefits are attractive and a car will be provided.

Please apply in confidence with personal details to:

The Director
M.E.I.B. LIMITED
277 Royal Exchange
Manchester M2 7ES

GENERAL APPOINTMENTS

Our client, an international bank and affiliate of one of the foremost banking groups, is seeking to appoint a

Chief Inspector

Internal Audit

to its German headquarters.

The responsibilities of this position will involve full scale internal audits of commercial bank branch operations as well as the supervision and management of local internal auditors at the branch level. Particular importance will be placed on the auditing of lending activities as well as a broad spectrum of commercial banking, such as foreign exchange operations, documentary business, accounting, etc.

The successful applicant should have a solid professional background and have had extensive experience in a comparable position. Particular emphasis will be placed on the candidate's ability to clearly analyse financial situations with a view to summarising his findings and presenting recommendations in report-form to Senior Management.

The candidate must furthermore be of appropriate stature to effectively communicate and deal with local branch and Senior Management.

Area experience in South East Asia would be especially useful and a willingness to travel a prerequisite.

The total compensation package is subject to negotiation and will be commensurate with the qualifications and professional experience of the individual, as well as the importance of the position.

Qualified applicants interested in a career position working in a young dynamic atmosphere with plenty of challenge are requested to apply in strictest confidence by sending a resume with full details of career experience, qualifications and present remuneration to:

Charles Barker GmbH
Management Selection International
Fattenhofweg 137 · 6000 Frankfurt 1 · West Germany

BURSARSHIP

ST. ANTONY'S COLLEGE, OXFORD

Enquiries are invited for the post of Bursar. The successful candidate will be required to take up the appointment as soon as possible after 14th March, 1977.

The Bursar is responsible to the Governing Body for the administration of the finances, domestic concerns and buildings of the College.

The post is open to men and women. Particulars obtainable from the Warden's Secretary, St. Antony's College, Oxford. Closing date for applications: 15th December, 1976.

STOCK EXCHANGE

authorised clerk with sound business connection required. Good potential.

Write Box A.5763, Financial Times, 10, Cannon Street, EC4P 4BY.

DIRECTOR

FOR MERCHANT BANK

P. S. Refson & Co. Limited wish to appoint a talented and experienced banker to the Board.

The Bank, which was incorporated in 1973, specialises in the financing of international trade whilst providing a full range of domestic banking services. Continuing expansion has created the need for an additional executive director.

The successful applicant will probably be aged 32-45 and have spent much of his/her career with a merchant bank or within the international department of a commercial bank in this country or abroad. He/she should hold a university degree or other formal qualification, be fluent in one or more foreign languages and have travelled extensively. He/she will understand the professional challenge a wholly independent bank can offer and must combine traditional standards of financial prudence and integrity with a proven record of initiative and achievement.

Salary will not be a limiting factor and will reflect the importance attached to this appointment.

Please reply fully, in confidence, to:

The Managing Director,
P. S. Refson & Co. Limited,
1 Hobart Place, London, SW1W 0HU

CHARGE SECURITY CLERK 25+. Excellent salary and prospects for experienced applicant. Telephone Lee Personnel 01-409 1944.

Sales Executive

Computer Systems c.£8,000

A top-bracket, London-based, British international consultancy/software Group has asked us to find a trained, thoroughly professional specialist to sell financial systems software.

This is not for a Flash Harry whiz kid given to switching employers annually but, well established and successful as the Company is, you *will* be allowed to *use all your initiative and flair to plan* and execute your own independent selling programme.

The Head of Division to whom you will report believes it is likely that you are currently selling computer services or systems, but feel inhibited—perhaps frustrated—by controls imposed upon you.

You will enjoy a standard of technical and design support which matches *anything any manufacturer could offer.* Nevertheless, experience in this field is essential.

Ideally you are a graduate with a banking or financial systems background and a record of solid sales success in the computer industry.

The starting salary and other rewards and benefits are negotiable, especially as this is a newly created position. And, with the Group's progress and expansion showing no sign of ever easing up, prospects are excellent.

To apply, interested men and women should telephone or write to J.A. Lewzey, quoting Ref. 134, at

JL&P

Jacqueline Lewzey & Partners Ltd
50 Hans Crescent, London SW1X ONA
Telephone 01-589 8177

Credit Analysis in International Banking

Hill Samuel & Co. Limited are expanding their activities in the UK and overseas. They now need a resourceful banker to join the young management team who are responsible for analysing and negotiating large loan propositions.

To fill this appointment and take advantage of opportunities for further career development, you should be aged 24 to 30 with relevant experience in an International Bank or, alternatively, the Advances Department of a Clearing Bank.

If you are interested in an attractive salary and substantial fringe benefits, please write with details of age, experience and salary progression to:

Miss M. Clark, Personnel Department,
Hill Samuel & Co. Limited
100 Wood Street, London EC2P 2AJ.

OIL TRADER

c. £15,000

required for off-shore trading company with U.S.A. connections.

Applicants should have supply experience in an oil company and preferably in oil trading activities. Salary negotiable. Fringe benefits include a company car, BUPA and contributory pension scheme.

This appointment is based in London.

Applications with brief details to:

Mr. R. W. B. Morton,
81 Gracechurch Street, London, E.C.3.
Telephone: 01-626 5631.

TRAINEE DEALER

An opportunity has arisen in the Dealing Room of a Major International Bank to place a Trainee Dealer with a professional team of traders.

The successful applicant will have a broad understanding of the Foreign Exchange Market from both the theoretical and practical viewpoint. The nature of the appointment is expected to prove attractive to career minded candidates in their early twenties.

Salary is competitive and fringe benefits are in keeping with best banking practice. Please write with full details of education, qualifications and experience to—

Personnel Manager,
United California Bank,
35/39 Moorgate, London, EC2R 6BD

ECONOMIST

A Stockbroking Firm with an established name in general economic and specialised fixed interest research is seeking to recruit an experienced Economist. Candidates will have degrees and possibly higher qualifications with specialisation in monetary economics, and may already be employed in the financial field or with an industrial company. The career opportunity will be attractive to persons interested in publishing under their own name and influencing the investment strategy of the institutional clients of the Firm. Salary by negotiation, with a participation in profits and with all staff benefits, including non-contributory pension arrangements. Please apply in confidence to Box A.5761, Financial Times, 10, Cannon Street, EC4P 4BY.

Jonathan Wren Banking Appointments

The personnel consultancy dealing exclusively with the banking profession.

BANKING EXECUTIVE RECRUITMENT

We handle appointments for high calibre, experienced bankers in all fields, including international lending, corporate finance and general management.

Please telephone DAVID K. GROVE LESLIE M. SQUIRES KENNETH W. ANDERSON

Jonathan Wren & Co Ltd. 170 Bishopsgate, London EC2M 4LX. 01-623 1266

BOND DEALER

A leading Canadian investment house, which is expanding its underwriting and bond trading activities, requires at its London office an experienced dealer to make markets in Eurocurrency bonds and to assist in the placement of new issues.

Remuneration and associated benefits will be generous. The career prospects are excellent.

Candidates under 35, who have a successful business experience in a similar role, are invited to write in confidence enclosing curriculum vitae to Box A.5734, Financial Times, 10, Cannon Street EC4P 4BY.

TECHNICAL REPRESENTATIVE for International Chemical Company in Geneva, Switzerland. Fluent English and French. Extensive travel required. Experience in fuel and lubricant additives desired. Please reply under cipher 8 18.115470, Publicitas, 9 rue du Prince, CH-1211 Geneva 3.

LEGAL NOTICES

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matters of:

No. 003516 of 1976
SQUARECHOICE LIMITED
No. 003517 of 1976
STABLEROSE LIMITED
No. 003518 of 1976
W. F. BEADLE (CONTRACTORS) LIMITED

and in the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN that Petitions for the Winding-Up of the above-named Companies by the High Court of Justice were, on the 13th day of November 1976, presented to the said Court by THE COMMISSIONERS OF CUSTOMS AND EXCISE of King's Beam House, 39-41, Mark Lane, London EC3R 7HE, and that the said Petitions are directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 20th day of December 1976, and any creditor or contributory of any of the said Companies desirous to support or oppose the making of an Order on any of the said Petitions may appear at the time of hearing in person or by his Counsel for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of any of the said Companies requiring such copy on payment of the regulated charge for the same.

G. KRIKORIAN,
King's Beam House,
39-41, Mark Lane,
London EC3R 7HE.
Solicitor for the Petitioners.

NOTE.—Any person who intends to appear on the hearing of any of the said Petitions must serve on, or send by post to the above-named, notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm, and must be signed by the person or firm, or his or their Solicitor (if any), and must be served or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 17th day of December 1976.

No. 003573 of 1976

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of PENELOPE PICKWICK LIMITED and in the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 22nd day of November 1976, presented to the said Court by WILLIAM PEARSON & CO. (LEEDS) *LIMITED* whose registered office is at Ross Mills, Bramley, Leeds LS13 2TB, Woollen Manufacturers, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL on the 17th day of January 1977, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

J. F. KELEMEN,
1A, Tenterden Street,
London W1A 2BB.
Ref: LWE/J.
Tel: 01-629 5050.
Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 14th day of January 1977.

COMPANY NOTICES

ALLIED IRISH BANKS LIMITED

Notice is hereby given that the Transfer Books of the Company will be closed from 9th to 10th December, 1976 both dates inclusive, for the purpose of preparing warrants for an Interim Dividend on account of the year ending 31st March, 1977.

By Order of the Board
D. B. MOTYER, Secretary.
3/4, Foster Place,
DUBLIN 2.
25th November, 1976.

QUEBEC CENTRAL RAILWAY COMPANY

CAPITAL STOCK

In preparation for the payment of the half-yearly dividend due 15th January, 1977 on the above Stock, the Transfer Books will be closed at 3.30 p.m. on 10th December and will be re-opened on 14th December, 1976.

R. H. PAUL, Assistant Secretary.
8 Waterloo Place,
Pall Mall,
London SW1Y 4AQ.
25th November, 1976.

THE COLNE VALLEY WATER COMPANY

NOTICE IS HEREBY GIVEN that the *Transfer Books of the Debenture Stocks* of the Company will be closed for one day only on the 7th December 1976 for the preparation of the Warrants for Interest payable on 1st January, 1977.

Dated this twenty-fifth day of November, 1976.

W. A. COSGROVE
Secretary.

Blackwell House,
Aldenham Road,
Watford
Hertfordshire.
WD2 2EY.

New Issue *All these Bonds having been sold, this announcement appears as a matter of record only* November 9, 1976

PORT AUTHORITIES

Bordeaux - Dunkirk - Le Havre
Marseilles - Nantes-Saint-Nazaire - Paris

US $ 40,000,000

9% guaranteed Bonds due 15th November 1991
unconditionally guaranteed by the Republic of France

Banque Nationale de Paris

Société Générale — Banque de Paris et des Pays-Bas

Caisse des Dépôts et Consignations — Crédit Lyonnais

Banque de l'Indochine et de Suez

Swiss Bank Corporation (Overseas) Limited — Banque Bruxelles Lambert S.A.

Credit Suisse White Weld *Limited* — Deutsche Bank *Aktiengesellschaft* — Salomon Brothers *International Limited*

Banque Worms — Crédit Commercial de France

Alahli Bank of Kuwait (K.S.C.) — Algemene Bank Nederland N.V. — A. E. Ames & Co Limited — Amsterdam-Rotterdam Bank N.V.
The Arab and Morgan Grenfell Finance Company Limited — Banca Commerciale Italiana — Banca del Gottardo — Banca Nazionale del Lavoro — Banco de Vizcaya S.A.
Banco di Roma — Bank of America International — Bankers Trust International Limited — Bank Gutzwiller, Kurz, Bungener (Overseas) Limited
Bank Leu International Ltd — Bank Mees & Hope N.V. — Banque Arabe et Internationale d'Investissement (B.A.I.I.) — Banque de Commerce S.A.
Banque Commerciale S.A. Luxembourg — Banque Française du Commerce Extérieur — Banque Française de Dépôts et de Titres
Banque Générale du Luxembourg S.A. — Banque Internationale à Luxembourg S.A. — Banque Louis-Dreyfus — Banque de Neuflize, Schlumberger, Mallet
Banque Populaire Suisse — Banque Rothschild — Banque de l'Union Européenne — Baring Brothers & Co., Limited
Bayerische Hypotheken-und Wechsel-Bank — Bayerische Vereinsbank — Bergenbank — Berliner Handels-und Frankfurter Bank
Blyth Eastman Dillon & Co. International Limited — Caisse Centrale des Banques Populaires — Christiania Bank og Kreditkasse — Citicorp International Bank Limited
Commerzbank Aktiengesellschaft — Creditanstalt-Bankverein — Crédit Chimique — Crédit Général S.A. de Banque
Crédit Industriel et Commercial — Crédit du Nord — Credito Italiano — Daiwa Europe N.V. — Deutsche Girozentrale - Deutsche Kommunalbank -
Dewaay & Associés International S.C.S. — Dillon, Read Overseas Corporation — Dresdner Bank Aktiengesellschaft — Effectenbank-Warburg Aktiengesellschaft
European Banking Company Limited — Finacor — First Boston (Europe) Limited — Gefina International Limited
Girozentrale und Bank der Österreichischen Sparkassen — Goldman Sachs International Corp. — Hambros Bank Limited — Hill Samuel & Co. Limited
E. F. Hutton and Co. N.V. — IBJ International Limited — Interunion-Banque — Istituto Bancario San Paolo di Torino — Kidder, Peabody International Limited
Kleinwort, Benson Limited — Kredietbank S.A. Luxembourgeoise — Kredietbank N.V. — Kuhn, Loeb & Co. International
Kuwait Foreign Trading Contracting and Investment Co. (S.A.K.) — La Compagnie Financière — Lazard Frères et Cie
Lazard Frères & Co. — Lehman Brothers Incorporated — McLeod, Young, Weir & Company Limited — Manufacturers Hanover Limited
Merrill Lynch International & Co. — Samuel Montagu & Co. Limited — Morgan Grenfell & Co. Limited — The National Bank of Kuwait S.A.K.
The Nikko Securities Co., (Europe) Ltd. — Nomura Europe N.V. — Norddeutsche Landesbank Girozentrale — Oesterreichische Landerbank
Orion Bank Limited — Pan Arab Finance Limited — Pierson, Heldring & Pierson N.V. — PKbanken
Rabomerica International Bank N.V. — N. M. Rothschild & Sons Limited — Sal. Oppenheim jr. & Cie. — J. Henry Schroder Wagg & Co. Limited
Skandinaviska Enskilda Banken — Smith Barney, Harris Upham & Co. Incorporated — Société Bancaire Barclays (Overseas) Ltd.
Société Générale Alsacienne de Banque — Société Générale de Banque S.A. — Société Privée de Gestion Financière
Société Séquanaise de Banque — Strauss, Turnbull & Co. — Sumitomo Finance International — Svenska Handelsbanken
Union de Banques Arabes et Françaises - U.B.A.F. — United Overseas Bank S.A. - Genève — Vereins-und Westbank Aktiengesellschaft — J. Vontobel & Co.
S. G. Warburg & Co. Ltd — Westdeutsche Landesbank Girozentrale — Westfalenbank Aktiengesellschaft
Wobaco Investments Limited — Wood Gundy Limited — Yamaichi International (Europe) Limited

هكذا من الاصل

صكذا من الاصل

FARMING AND RAW MATERIALS

Brazilian coffee for Russia

By Our Commodities Staff

THE SOVIET UNION has bought around 80,000 bags (60 kilos each) of Brazilian coffee, according to trade sources in Rio de Janeiro.

The purchases were made by a mission headed by Mr. Juri Zhizhin, president of the State trading corporation. The mission has now left for talks with cocoa traders in Salvador, and will then move on to Peru.

The Soviet Union bought 25,000 tonnes of coffee from Brazil in 1975 and had already purchased 10,000 tonnes this year.

In Bogota, meanwhile, Sr. Arturo Gomez Jaramillo, manager of the Colombian National Coffee Producers' Federation, told a coffee growers' conference that Colombian coffee smuggled into the U.S. could total 1m. bags by the end of this year. This would represent 20-30 per cent. of Colombia's total exports to that country, he added.

● On the London terminal market Tuesday's fall in coffee prices was extended with the January Robustas position losing another £34 to close at £2,312.5 a tonne. Dealers said the fall reflected stop-loss selling, Tuesday's lower tone in New York and the early steadiness of sterling.

Exchange control curbs worry commodity traders

BY JOHN EDWARDS, COMMODITIES EDITOR

THE EXCHANGE control regulations announced by the Bank of England last week aimed at curbing the use of sterling finance for trading deals between third countries has caused confusion, and concern about the future, among London commodity traders.

Although participants in the existing Exchange Control Commodities Schemes are specifically excluded from the new regulations, there is considerable uncertainty among traders outside these schemes about their ability to remain competitive when required to raise finance for international trade deals from alternative sources, such as the Eurocurrency market.

Particularly worried are the so-called "minor" metal traders dealing in the whole range of metals, including aluminium and nickel, not traded on the London Metal Exchange.

In a special message to the Bank of England, Mr. L. Lubett, chairman of the Minor Metals Traders' Association, claimed that the new rules could put a "stranglehold" on the activities of U.K. metal merchants trading in world markets.

A most important source of foreign exchange earnings of many millions of pounds could be lost to Britain and there would be a further loss in "invisible earnings" if U.K. merchants had to turn more and more to overseas if there was no assurance that loans of foreign currency would be available from the U.K. banks.

One result, Mr. Lubett warned, would be that U.K. companies will be susceptible to being taken over by overseas concerns, and their executives obliged to work abroad.

The association has asked for a meeting with the Bank to discuss clarification of the situation, and the possibility of bringing further range of metals and minerals within the scope of an Exchange Control scheme.

Certain metals such as antimony, manganese, magnesium and tungsten ore are still quoted in sterling, although most other metals have now switched to trading at dollar prices.

It was pointed out that in addition to the minor metals there is a whole range of other goods traded by U.K. merchants that are not covered by the special Exchange Control schemes for major commodities.

These include secondary metals, alloys and other materials such as chemicals where U.K. merchants play an active role in world trading at present.

A Bank of England spokesman emphasised that the new regulations basically dealt with trading between third countries, outside the sterling area, where sterling loans were being used to bridge the gap between the purchase and delivery of the commodity from one country to another.

Britain could no longer afford this outflow of sterling, and it should not be too difficult for merchants to arrange finance from the Eurocurrency market widely used by London banks.

Merchants have been given a month in which to make new arrangements, but the Bank is prepared to look into cases of special difficulties.

EEC beef import ban to be lifted

By Robin Reeves

BRUSSELS, Nov. 24.

THE COMMON MARKET'S 2½-year-old beef import ban will be lifted at the end of March, the Brussels Commission decided here this evening.

Its place is to be taken by a new beef import regime, the precise details of which are still the subject of negotiations within the EEC Council of Ministers.

However, after the Farm Ministers' failure to reach agreement on this regime here last night, the Commission's decision should help to concentrate the Ministers' minds to reach agreement at their December meeting.

Between now and the end of March the Commission also plans to loosen up the jumelage, or twinning arrangement which has allowed some beef to come into the EEC.

Linked

Import licences have been linked to uptake of stockpiled beef from intervention. At present, there is an estimated total of some 450,000 tonnes in public and private stores in the Community.

This jumelage scheme, together with GATT and manufacturing beef quotas, and shipments from developing countries with special access granted under the Lome convention, means that the Community will, in fact, have imported around 230,000 tonnes.

In 1972 and 1973, years of beef shortage and high prices, the imports of the Nine totalled almost 1m. tonnes in both years.

KENYA

Ambitious plans to boost cotton

BY JOHN WORRALL IN NAIROBI

KENYA HAS always been overshadowed in cotton production by its neighbours, Tanzania, Uganda, Ethiopia, and, of course the Sudan. Nobody quite knows why, because the climate is right, and so is the soil, and water is not all that far away in the areas most suitable for cotton growing.

But things may now be changing. Kenya is beginning to turn her attention to growing cotton seriously because of the desperate need for new rural employment opportunities and for conserving foreign exchange.

It has all really started the wrong way round with the need to supply a batch of large textile factories which have sprung up in the past few years. Ten mills are now in operation, with a total investment of £57m., and a total production capacity of 48.5m. square metres of material a year.

Three more mills are scheduled in the 1974-78 Development Plan. Most of them have heavy investment from India, and their top skills are imported from India.

The mills consume some 100,000 bales of cotton a year, of which, at present, Kenya can produce only 30,000 bales. The shortfall is imported from Tanzania, Uganda and some from the U.S.

Difficulty

There may be some difficulty in future in getting raw cotton from Tanzania, for the tendency there is to turn land over to more food crops. Supplies from Uganda are not very reliable.

Anyhow, the Kenyans now think, why import all that quantity of cotton when it can be produced at home? And the mills' demands may well increase, possibly in the direction of textile exports.

In the past there has been no real incentive from the Government to grow cotton. The Cotton Lint and Seed Marketing Board has for years been torn by management and financial problems, and has provided little encouragement to farmers.

The Board has now been reconstructed on a strict commercial basis, with reorganisation of marketing systems and tighter financial controls. Better prices to farmers are providing new incentives to grow cotton, and there is full encouragement from the Government to boost production.

On the drawing board are several big projects for growing cotton under irrigation. Already cotton is being grown on 2,500 acres at Hola.

Cotton growing is a major part of the 50,000 acre project at Bura, on the west bank of the Tana River, in which some £67m. is being invested.

The plan is to settle some 14,000 families on a tenant farmer basis with a target of 100,000 bales a year. The major investors are the World Bank and the Kenya Government.

In other parts of Kenya cotton is a smallholder crop. The plan is to stimulate cotton growing by making it an anchor crop among other, mainly food, crops.

A scheme has been started called the Integrated Agricultural Development Programme, financed by loans from the World Bank and the Arab Bank, which is intended to cover maize, groundnuts, passion fruit, potatoes, beans, and cotton.

Every farmer participating in the scheme will get credit benefits for whatever crop he is improving, providing he grows an acre of cotton. Credit benefits are to be conferred in kind rather than cash—fertilisers, chemicals, machinery, spray pumps, which will be channelled to him through the cooperative unions and societies.

"Our target in this scheme is 100,000 bales of cotton a year from the small farmers before the end of 1980," said Mr. J. K. Kigunda, general manager of the Cotton Lint and Seed Marketing Board. "We will supply free seed and extension work and research will be provided by the Government.

"We are expecting greatly increased production from these schemes—the new textile factories will act as a challenge and a stimulus," said Mr. Kigunda.

But the mills themselves are having their problems. The Kenya market has in recent years been flooded with cheap textiles from Japan, Singapore, Taiwan, Korea and Hong Kong.

Problem

Another problem for Kenya manufacturers is the astonishing amount of imported second-hand clothing being sold at stalls and markets in the poorer areas of the cities and towns.

On the whole the market for textiles in Kenya is not large, and not increasing, especially in the poorer sectors which have been badly hit by inflation. The expanding middle class market, on the other hand, tends to go for the more expensive imported items which, as yet, cannot be matched by the local manufacturers.

Yet the textile industry is a valuable employer of labour. The ten mills have about 10,000 workers, and their allied industries about 25,000, making textiles the third largest employer of labour in Kenya after the Government and the agricultural processing industries.

It may be that, if cotton production really gets going, the big mills and their satellite factories may be able to turn to exports. Already feelers have gone out to other African countries, and the Arab states.

Sugar sold from EEC stockpile

BRUSSELS, Nov. 24.

THE EEC Commission to-day authorised sales of 10,000 tonnes of white sugar from German intervention stocks, reports Reuter.

It fixed the maximum export rebate at 16.691 units of account per 100 kilos at the weekly export tender, Commission sources said.

The Commission also authorised sales of 4,000 tonnes from Belgian intervention stocks with a maximum rebate of 17.18 units of account.

This still leaves 47,000 tonnes of intervention sugar to be dealt with at future tenders.

Milk output up

THE DECLINE in Britain's milk supplies caused by the drought was reversed in October, with the benefit of renewed pasture growth, the Milk Marketing Board said yesterday.

Total output was 1.1 per cent. higher than in October, 1975. The recovery was strongest in the north and east. South Wales and the South-West were still below last year's output.

Peru suspends fishmeal sales

BY OUR OWN CORRESPONDENT

LIMA, Nov. 24.

PERU HAS declared force majeure on sales of fishmeal and is suspending further shipments. The measure, announced by the Ministry of Commerce, affects delivery dates of future sales but not volumes.

No reasons have been given so far for the measure. However, the major factors affecting the anchovy catch at the moment are a strike of the fishermen involving some two-thirds of the fishing fleet, and an apparently unexpected shortage of anchovy even for the number of boats that have been fishing.

The fishermen's strike has been going on since the opening of the second half of the anchovy fishing season on October 18, although the Government had trouble with the fishermen earlier in the year.

Initially the strike affected most of the fleet of 533 boats, but by early November some 190 boats were going out daily.

The fishermen are protesting against the sale of the State fishing fleet to private owners, which also involves a cutback in the number of jobs and a change from a regular weekly wage to payment based on the catch.

The Government authorised daily fishing instead of the usual five days a week, in order to increase the catch, and said that the strike was costing Peru $US3.5m. in lost export income.

It was, however, not clear if fishing conditions justified this claim. Early this month conditions were described as good off the southern coast, but following patterns of earlier years the anchovy have been small and thin off the coasts north of Callao, and the schools hard to find.

Likely catch

By the week-end the total daily catch was only reaching some 16,000 tons. On this basis the catch for the second half of the season is unlikely to be more than 300,000 tons, which is only one-third of the expected catch of 1½m. tons. The catch in the first half of the season, lasting from March intermittently through to July, was 3m. tons.

Our Commodity Staff writes: Adequate supplies of soyabean meal on world markets may prevent any steep increase in meal prices following the force majeure declaration by Peru.

The declaration resulted in some short covering demand being directed towards Scandinavian supplies. Eastern European countries in particular have been concentrating on buying Scandinavian supplies of fish meal in recent days.

In the U.K., compounders are using maximum soyabean meal and minimum fishmeal in their compounds, market sources said yesterday.

Earlier, Reuter reported from Washington, that Peru is expected to be able to fulfil its contracts for fishmeal shipments this month and next but the November shipments may not be completed until the first two weeks in December and the scheduled December shipments are expected to take until the first week or so in January to complete.

However, the sources said Peru should be able to fulfill the outstanding contracts this month and next but actual shipments would probably go a week or so into the following month in each case.

Contracts for fishmeal during November and December amount to approximately 100,000 tonnes.

No curbs on potato imports

By Robin Reeves

BRUSSELS, Nov. 24.

WITH EEC potato supplies destined to stay critically short and very expensive for the rest of the winter, Common Market Agriculture Ministers agreed here last night to extend the suspension of EEC import duties for at least a further two months.

The European Commission now estimates that the summer drought reduced this year's EEC potato harvest to no more than 28m. to 29m. tonnes, 14 to 15 per cent. below the 1975 crop of 33.6m. tonnes, which was also well below average.

The present potato import duty suspensions were due to expire on December 31. Now, new potatoes, as well as main crop and seed varieties will continue to be able to enter the Community duty-free at least until February 28.

U.S. options trading rules approved

WASHINGTON, Nov. 24.

THE COMMODITY Futures Trading Commission approved regulations for U.S. commodity options transactions and expects the new rules to be published in the Federal Register to-day, reports Reuter.

The segregation of funds rule, which requires that an amount equal to 90 per cent. of a customer's total payment be set aside in a separate, segregated account in the U.S. will become effective December 27, while the remaining rules will take effect December 10.

The CFTC said the disclosure section of the regulations was revised to eliminate the 24-hour advance disclosure of commissions, fees and other charges. But a merchant will still need to provide the customer with a summary disclosure statement at the time of the sale and a detailed confirmation statement after the sale is completed.

Under the rules, all commodity options dealers will have to be registered with the CFTC as futures commission merchants by January 17, and all persons selling options to the public will be required to register with the CFTC as associated persons by the same date.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Easier on the London Metal Exchange after a day of restrained trading. Forward metal started lower at £800 and advanced to £809 on trade business which induced short covering. But once this had dried up the price drifted off to touch a low of £796. The price rallied again on further short covering with the movements of sterling a [illegible] ... at £771, 1.5, 71, three months, £804, 05, 06, 07, 07.5, 07, 06.5. Cathodes, three months, £792, 91.5. Kerb: Three months, £806, 05.5, 06, 04, 03.5, 03. Afternoon: Wirebars, three months, £798, 99, 99.5, 99, 801, 801.5, 801. Cathodes, three months, £787.5. Kerb: Three months, £800, 02, 02.5.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	771-.5	—8.5	765.5-6.5	—8.5
3 months	806.5-7	—8	801 2	—7
Settlem't	771.5	—8.5	—	—
Cathodes				
Cash	756-.5	—10.5	752 3	—7.25
3 months	791.5-2	—10	787-.5	—4.25
Settlem't	756.5	—10.5	—	—
U.S. Prod.	[illegible]		[illegible]	

TIN—Little changed in a quiet market. ... adjusting to London's previous performances. Forward material started at £5,090 but eased on hedge selling in fair two-way business to £5,080. The decline lengthened in the afternoon but in very late trading American interest in an oversold market set off some bear covering and stoploss buying which led to a close on the Kerb of £5,100. Turnover 1,325 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	4905-10	—36	4915 25	+5
3 months	5080-90	—27.5	5095 100	+15
Settlem't	4910	—35	—	—
Standard				
Cash	4905-10	—35	4915 25	+5
3 months	5080-90	—27.5	[illegible]	[illegible]
Settlem't	[illegible]			
Straits E.	[illegible]			
New York	[illegible]			

Morning: ... [illegible]

LEAD—... with trade ... Eastern Europe, helping to take forward metal up from ... was some profit-taking ... the market ... to a close on the Kerb of £282. Turnover ... [illegible]

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
Cash	[illegible]		[illegible]	
3 months	[illegible]		[illegible]	
Settlem't	[illegible]			
N.Y. Spot	[illegible]			

Morning: ... £294, 94.5, ... [illegible]

ZINC—Higher after a moderate day's trading which saw some fresh buying emerge. Forward ... climbed to ... pattern of ... on the Kerb ... tonnes. [illegible]

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
Cash	[illegible]		[illegible]	
3 months	[illegible]		[illegible]	
Settlem't	[illegible]			
Prim. West	[illegible]			

Morning: ... £385, 89. Kerb: ... Afternoon: ... £387, 87.5, ... [illegible]

* Cents per pound. ... unofficial close. [illegible]

I.G. Index 01-351 3466 March Sugar 132½-134

RUBBER

EASIER opening on the London physical market. ... [illegible]

SOYABEAN MEAL

The market opened ... [illegible]

SILVER

Silver was fixed ... for spot delivery in the London bullion market yesterday ... equivalents of the fixing levels were: spot 434.8c, ... 440.3c, down ... 2.8c; and ... The metal ... and closed ... [illegible]

LME—Turnover ... ozs. Morning: ... 73.2, 73.0. ... 272.5, 2.8 ... months 273. ... Kerbs: Three ... [illegible]

SUGAR

LONDON DAILY PRICE (raw sugar) ... [illegible]

COCOA

Trading conditions remained volatile throughout the day with ... moving to ... against the ... and Duffus. [illegible]

COCOA	Yesterday's Close	+ or —	Business Done
No. 6 Contract			
December	[illegible]		
March	[illegible]		
May	[illegible]		
July	[illegible]		
September	[illegible]		
December	[illegible]		
March	[illegible]		

Sales: 8,1... lots of 5 tonnes.

International Cocoa Agreement (U.S. cents per pound): ... 128.48 (132. ...) (same): ... [illegible]

COFFEE

Robusta ... to £11 down ... [illegible]

Dealers said prices fluctuated for much of the afternoon with short-covering and book-squaring operations emerging towards the close ahead of to-day's U.S. Thanksgiving Holiday.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
November	2280 2310	—32.5	2295 290
January	[illegible]		
March	[illegible]		
May	[illegible]		
July	[illegible]		
September	[illegible]		
November	[illegible]		

GRAINS

THE BALTIC—East Coast U.K. ports ... [illegible]

... 194.85, Jan. 196.30 transhipment East Coast. U.S. Hard Winter No. 2 ordinary Dec. 190.85, Jan. 191.65 transhipment East Coast. EEC Feed Dec. 182.80 East Coast.

Maize—No. 3 Yellow American/French Dec. £79.75 transhipment East Coast.

Barley—EEC Feed/Canadian Dec. £78.00 East Coast.

LONDON GRAIN FUTURES MARKET (GAFTA). Wheat: easy. Close: Jan. ... [illegible]

WOOL FUTURES

LONDON—The market tended easier over the day in mixed trading, reports Bache. [illegible]

MEAT/VEGETABLES

SMITHFIELD ... [illegible]

COVENT GARDEN (Prices, in sterling)—Imported produce: Oranges—Spanish: Navels/Navelinas 3.00-3.80; Sth. African: 72/126 3.50; Jaffa: Navels 3.80-4.25. Satsumas—Spanish: trays approx. 20 lbs 2.50-2.60. Clementines—Cypriot: 2.80-3.60. Lemons—Italian: 3.60-3.60; Cypriot: 3.20-4.00; Turkish: 2.40-2.80; Sth. African: 3.38-4.00, 2/3 2.79-3.00. Cranberries—U.S.: per 8 ozs packet 0.15; 16 ozs packets 0.26. Apples—French: Golden Delicious ... [illegible]

JUTE

DUNDEE—Quiet. ... [illegible]

GRIMSBY FISH— ... [illegible]

HIDES—London. ... [illegible]

LONDON PALM OIL—The market was very quiet and only moved slightly ... [illegible]

COTTON—Liverpool. ... [illegible]

COPRA, Philippines—Dec. and Jan. ... per tonne, cif North European ports. [illegible]

PRICE CHANGES

Prices per ton unless otherwise stated

	Nov. 24 1976	+ or —	Month ago
Metals			
Aluminium	£579		£579
Free Market (cis)	$ 90- 1	—5.0	850-881
...	[illegible]		767.5
...	[illegible]		806.75
...	[illegible]		755
...	[illegible]		792
...	[illegible]		117 ...
...	[illegible]		274.5
...	[illegible]		290.7...
...	[illegible]		2,950

* Nominal. † Seller. ‡ Unquoted. [illegible]

FINANCIAL TIMES				
[illegible]				

REUTER'S			
1560.6	1570.8	1545.3	1149.8

DOW JONES				
[illegible]				

MOODY'S				
[illegible]				

U.S. Markets

Silver and copper lower

NEW YORK, Nov. 23.

COPPER closed sharply lower on local selling, touching Commission House stops. Silver closed lower on trade selling. Grains closed lower on Commission House and local liquidations. Coffee closed lower after trading limit-up on mixed profit taking. Sugar closed lower on trade selling. Cocoa closed limit-down. Bache reports.

Cocoa—Ghana spot 152½ nom. (156½). Bahia spot 149½ nom. (153½ nom.). Dec. 137.00 (141.20), March 134.00 (134.90), May 126.40, July 123.00, Sept. 115.45, Dec. 105.50, March 100.10. Sales: 902.

Coffee — "C" Contract: Dec. 152.50-153.00 (155.63), March 154.30-154.20 (156.00), May 154.10-153.75, July 153.50-153.50, Sept. 154.23-154.15, Dec. 151.50, March nil. Sales: 1,679.

Copper—Nov. 57.40 (55.90), Dec. 57.50 (55.90), Jan. 58.00, March 59.00, May 59.90, July 60.50, Sept. 61.75, Dec. 62.90. Sales: 3,420.

Cotton—No. 2: Dec. 78.30-78.70 (79.44), March 79.25-79.35 (80.55), May 79.50-79.60, July 77.90, Oct. 71.30, Dec. 66.60-66.65, March 67.00-67.25, May 67.00. Sales: 4,550.

†Gold—Nov. 132.00 (134.70), Dec. 132.40 (135.10), Jan. 132.50, Feb. 133.40, April 134.40, June 135.60, Aug. 136.80, Oct. 138.00, Dec. 139.20, Feb. 140.60. Sales: 3,909.

Greasewool—Spot 190.0 nom. (same). Dec. 174.0-191.0 (142.0), March 180.0-190.0 (156.0), May unquoted.

Lard—Chicago loose ... [illegible]

Maize— ... [illegible]

Platinum— ... [illegible]

Silver— ... [illegible]

Soyabeans— ... [illegible]

Soyabean Meal— ... [illegible]

Sugar—No. 11: ... [illegible]

Tin— ... [illegible]

Wheat— ... [illegible]

WINNIPEG, Nov. 23. ... [illegible]

* Cents per pound ex-warehouse unless otherwise stated. [illegible]

STOCK EXCHANGE REPORT

Equities fluctuate narrowly in slack trade

Share index down 1.3 at 299.0—Gilts steady to firm

Account Dealing Dates

Option

*First Dealings	Declarations	Last Dealings	Account Day
Nov. 1	Nov. 11	Nov. 12	Nov. 23
Nov. 15	Nov. 25	Nov. 26	Dec. 7
Nov. 29	Dec. 9	Dec. 10	Dec. 21
Dec. 13	Dec. 30	Dec. 31	Jan. 12

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Equities markets passed a rather uneventful session yesterday. Leading industrials fluctuated within narrow limits before closing a shade easier on balance. Still reflecting the previous day's late news of the miners' leader's decision to reject the NCB's retirement offer and call a national pit-head ballot on the issue, prices opened lower but picked up in sympathy with an improvement in sterling before tailing of in the late dealings to close with *small losses on* balance. The F.T. 30-share index closed 1.3 down on the day at 299.0 after being 2.6 down at 10 a.m. and a net 0.8 up at noon.

There was very little trade—official markings of 3,935 were the lowest for just over a month—activity being restrained by uncertainty over the IMF loan and by the outcome of the results for the third quarter from ICI, due to-day. The Queen's Speech contained no surprises and had *no apparent impact on sentiment.*

Gilts fared little better than equities in the way of business, but the underlying tone here was firm. Mediums and longs closed without alteration, but shorts edged a little higher. The Government Securities index eased 0.02 to 58.38 partly on deduction of accrued interest.

Apart from a continuing steady flow of bids and occasional speculative buying, there was little of interest in secondary issues which displayed a *slightly* easier bias. Falls led rises by 4-3 in F.T.-quoted industrials, while the F.T.-Actuaries All-Share Index shaded 0.3 per cent. to 129.13.

Gilts quietly firm

The miners' vote on industrial *action and speculation over the* stringency of the conditions that the IMF may impose for Britain's loan inhibited business in Gilt-edged. The undertone appeared to be firm enough but apart from trade connected with guaranteed applications for the new "tap" stock, Exchequer 13 per cent., *1981, for which subscription lists open to-day* and dealings begin to-morrow, and further switching into the long "tap," Treasury 15¼ per cent., 1996, at 98 (the Government broker subsequently stopped trading at that price), the volume of business was much reduced on recent levels. The shorts made limited progress in places while medium and longer-dated stocks remained at overnight list quotations.

Having been fairly well oversubscribed, Essex Water 9 per cent. Preference, 1982, opened and closed at £11½ in £10-paid form.

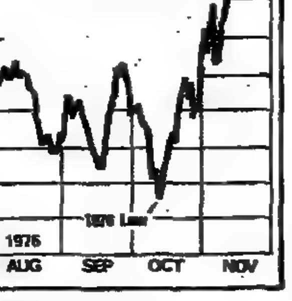
Banks mixed

A small institutional interest in the absence of any offerings from arbitrage sources took the investment currency premium up 1¾ points to 121½ per cent. Yesterday's SE conversion factor was 0.7130 (0.7177).

The big four Banks found it hard to take the previous day's rally a stage further yesterday. Prices moved within narrow limits during the course of a small turnover and, apart from Barclays which improved 2 more to 200p, the closing trend was easier. Midland ended 2 down at 210p and National Westminster were a penny off at 177p; Lloyds held at 165p. Allied Irish were also unmoved, at 78p, following the interim results. Irregular Discounts had Gillett 7 off at 148p but Allen Harvey and Ross 5 up at 320p. Press comment on the mid-term statement helped Hambros edge forward 3 to 115p in Merchant Banks.

Insurances had little to offer *apart from firmness in* Minet Holdings which improved 5 to 129p. C. E. Heath, on the other hand, fell to 375p before closing 3 off on balance at 382p.

A fairly busy morning session



in Breweries gave way to quieter afternoon conditions and the closing trend was mixed. Bass Charrington, 68p, gave back the previous day's penny improvement and Allied were a shade off at 48½p. Elsewhere, Distillers closed a touch harder at 100p.

Bristol Plant moved up 3 to 9p on the agreed offer terms of 10p cash from Carlton Industries; Carlton finished unchanged at 48p. Melville Dundas and Whitson hardened 2 to 39p in response to the interim figures, while Bainbridge Engineering finished a penny better at 24p on the increased earnings. Barratt Developments closed 2 up at 48p following the chairman's comments at the annual meeting, but Tunnel "B" eased 3 to 129p following the interim statement. International Paint reacted 5 to 280p, while Timbers had Phoenix 2 cheaper at 58p and Magnet and Southern 3 off at 94p.

ICI ended a penny better at 291p, after 288p, in front of to-day's third-quarter figures; dealers expect pre-tax profits in the region of £140m.

Associated "A" edged up 2 to 52p in firm Television Contractors.

Fraser firm again

Apart from House of Fraser, up 2 more at 57p following better-than-expected third-quarter figures, leading Stores were easier for choice following adverse comment on the industry's future. Gussies "A" shed 2 to 136p, while Marks and Spencer, 79p, after 78p, and UDS, 45p, after 44p, lost a penny apiece. Sumrie Clothes finished a penny off at 11p on the disclosure of the first-half loss. Currys contrasted with a gain of 3 to 67p, while other *firm spots took in Readicut International*, a penny up at 19½p, and James Walker, 2 harder at 34p. Mail Orders were idle and closed little changed on the overnight levels.

The Electrical leaders fluctuated narrowly in idle trading before closing at, or near, the overnight levels. EMI closed a penny harder at 205p, after 203p, following news that the company had won its first order from the Soviet Union for its computerised medical X-ray system. Secondary issues also sported a few firm spots. MK Electric, with interim figures to-day, edged up 3 to 76p, while Racal Electronics, interim results December 2, improved 7 to 218p. Westinghouse responded to speculative support with a gain of 1½ to 24½p, while Dorman Smith, 88p, and United Scientific, 118p, put on 2 and 4 respectively. Ultra Electronic edged up a penny to 50p on further consideration of the interim figures.

Possibly benefiting from deferment of the Aircraft nationalisation Bill, Hawker went higher to 385p for a fresh gain of 7, but other leading Engineerings became unsettled late and GKN *closed a net 4 easier at 228p, after* 236p. Tube Investments were similarly cheaper at 270p. Head Wrightson traded actively again and moved between 48p and 51p before ending unchanged at 50p, while bidders Davy International put on 3 more to 129p, still reflecting the sharply higher dividend forecast and impressive first-half profits. British Rollmakers, in which Davy has a sizeable stake, gained 2 to 38p. Elsewhere, newspaper mention helped Butterfield Harvey to improve 1 to 21p, while Edgar Allen Balfour rose 4 to 50p following publicity given to the existence of a short position in the market. Renold moved up 3 to 107p and 600 Group ½ to 50p awaiting their respective interim results, due to-day. Brockhouse, on the other *hand, eased ½ to 40p ahead of* to-day's preliminary figures. A. Cohen were lowered 5 to 110p and Duport 2 to 48½p, but R. Cartwright advanced 3 to 30p and *Hallite gained 5 further to 94p.*

Kinloch featured late in otherwise quiet Foods, rising 40 to 230p on the agreed increased offer terms of 235p cash per share from Booker McConnell. BM ended 2 up at 105p, after 107p. Tate and Lyle improved 4 to 228p, while Associated Dairies, 157p, Linfood, 186p, and William Low, 75p, all closed 3 higher. Robertson Foods, however, were finally 2 cheaper at 69p, after 73p, following the interim results. Supermarkets were noteworthy for the rise of 1½ to 27½p in Tesco on the interim figures which came up to market expectations.

Ladbroke were well to the fore in Hotels and Caterers, improving to 85p in brisk trading on vague rumours, later denied by both companies, that EMI was about to make a bid for the shares; the close was 3 better on the day at 83p. Savoy Hotel "A" picked up 2 to 30p with the help of call-option business, but J. Borel eased two points to £40.

Foseco Minsep down

Tuesday's rally in the Miscellaneous Industrial leaders proved somewhat short-lived as prices opened on an easier tack yesterday and fluctuated narrowly in thin trading before closing with mixed changes. Small demand ahead of interim results due on December 8 helped Pilkington improve 4 more at 266p, while Reckitt and Colman hardened 3 at 389p and Glaxo a penny to 353p. Unilever, however, were 4 lower at 380p, after 378p, and Turner and Newall shed a penny to 125p. Beecham moved between extremes of 323p and 317p before closing unaltered at 320p. Elsewhere, Foseco Minsep fell 10 to 124p, upset by the Board's warning that the group's current year profits in North America will be materially lower than last year. Glass and Metal hardened 2 to 22p on Press comment and Extel edged forward a penny to 59p in front of to-day's interim figures. Richards of Sheffield hardened a shade to come into line with the 21p per share offered by Imperial Knife, a private American holding, while support ahead of next Wednesday's preliminary results left Medminster 2 to the good at 13p. Sterling Industries hardened a similar amount, to 15p. Ingersoll Group, 35½p, were unmoved by news that the 39p per share *offer from Lap Heng has been rejected.* Fine Art Developments improved a shade to 17½p on the first-half performance. Davies and Newman closed unaltered at 80p; the price in recent issues was incorrect.

Press comment on the company's prospects brought pressure to bear on Group Lotus which closed 3 cheaper at a 1976 low of 12p. Elsewhere, Motors and Distributors were quiet and little changed after a quiet trade. Lucas Industries ended a penny off at 179p, after 176p, but Kwik-Fit hardened a penny to 28p on further consideration of the interim figures. Frank G. Gates, at 23p, made no apparent response to the improved first-half results.

Very little transpired in either Printings or Newspapers. McCorquodale eased 3 to a low for the year of 120p, but Thomson edged forward 2 to 327p. Increased first-half profits failed to help Bristol Post, which lost the turn to 58p. Elsewhere, London *and Provincial Poster moved up* 2 to 89p.

BP drift back

Enthusiasm for leading *Oils* cooled and in unusually quiet trading British Petroleum drifted back 8 to 700p, while Shell eased 2 to 396p. Investment currency influences tended to support Royal Dutch, which hardened slightly to £39. Many secondary issues relinquished small early improvements to close unaltered on the day with the exception of LASMO/SCOT, up 3 at 258p. Berry Wiggins rallied ½ to 15p, but Premier slipped that amount to a *1976 low of 4½p.* In the overseas section, Ranger gained ½ to £13½ reflecting domestic market advices.

Properties were showing slight concern with the current trend in sterling, a development which finally brought small changes in each direction. The one outstanding feature pitted against the drab backcloth was Country and New Town which, on a flurry of speculative interest, rose 4 to 24p, after 25p, following talk of a pending offer from British and Commonwealth Shipping; the latter has interim results due to-day. Otherwise, Land Securities eased 1 to 107p and English lost ½ to 29½p, but Stock Conversion picked up 1 to 134p and Peachey improved ½ to 40p.

Stocklake Holdings figured prominently in Overseas Traders, rising 3 to 26p on the sharply increased earnings. Thomas Borthwick improved similarly, to 69p, *but Steel Bros. eased 3 to* 182p and Sime Darby lost 4 to 104p, the latter on further consideration of the dispute with Pernas Securities.

Although showing a slight improvement on Tuesday's business, trade in the Investment Trust sector again left much to be desired. Oil and Associated eased 3 to 41p; the interim results are due on Friday of next week. Among Financials, Press comment predicting a favourable profits performance when the group report annual results to-day helped stockjobbers Akroyd and Smithers put on 3 to 180p.

Movements worthy of note were hard to find in Shippings although Hunting Gibson were firm at 116p, up 4, following Press mention. Common Bros. picked up 3 to 90p as *did Stag Steam* to 111p.

Courtaulds eased 2 to 90p in Textiles where John Haggas lost 5 at 265p in a thin market. Small and Tidmas, however, edged forward 3 to 20p as did Homfray, to 47p, while Illingworth Morris and the "A" were a penny better at 17p and 15p respectively.

Tobacco leaders picked up from a soft start and closed with modest improvements. BATs Industries ended 4 up at 265p, after 248p, while the Deferred were 2 to the good at 210p, after 205p. Alfred Dunhill improved 5 to 205p on the night ...

higher first-half earnings. South African Industrials drifted gently lower in ... trading ...

Northgate advance

A feature in mining markets was ... Northgate. Exploration ... [illegible]

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

Figures in parentheses show number of stocks per section

	EQUITY GROUPS / GROUPS & SUB-SECTIONS	Wed. Nov. 24, 1976 Index No.	Day's Change %	Est. Earnings Yield % (Max.) Corp. Tax 52%	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 0%	Tues. Nov. 23 Index No.	Monday Nov. 22 Index No.	Friday Nov. 19 Index No.	Thurs. Nov. 18 Index No.	Year ago (approx.) Index No.	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (178)	112.91	+0.1	24.00	8.55	6.81	6.15	112.83	111.59	114.81	117.40	139.69	160.06 (21/4)	100.83 (28/10)	206.87 (4/5/72)	50.71 (13/12/74)
2	Building Materials (30)	96.95	+0.1	25.64	9.95	6.28	6.27	96.86	96.40	99.81	102.55	135.16	150.18 (15/1)	85.53 (27/10)	233.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (22)	139.02	−1.1	32.15	7.84	4.60	4.80	140.56	139.50	144.76	149.11	253.84	260.20 (15/1)	122.08 (27/10)	389.35 (19/5/72)	71.48 (2/12/74)
4	Electricals (16)	213.48	—	20.97	6.54	7.09	6.89	213.55	209.04	215.87	221.95	245.11	267.30 (21/4)	190.54 (27/10)	350.04 (4/5/72)	84.71 (25/6/62)
5	*Engineering (Heavy)* (13)	143.67	+2.7	32.31	8.69	4.55	4.47	139.94	137.72	144.03	148.31	157.56	193.18 (3/5)	125.56 (27/10)	202.67 (6/6/73)	64.39 (2/1/75)
6	Engineering (General) (65)	107.13	+0.4	24.34	8.73	6.07	6.06	106.75	105.21	108.04	110.01	121.66	149.29 (3/5)	95.20 (28/10)	168.59 (4/5/72)	46.43 (6/1/75)
7	Machine and Other Tools (9)	49.56	+0.2	18.91	8.96	7.91	7.90	49.46	49.41	49.96	50.54	50.10	60.62 (3/6)	46.29 (11/10)	136.70 (4/1/65)	19.96 (13/12/74)
8	*Miscellaneous* (23)	97.73	−1.1	21.51	9.29	6.85	6.78	98.81	98.40	100.36	101.33	118.44	141.94 (11/5)	90.33 (28/10)	177.41 (27/4/72)	49.66 (6/1/75)
9	CONSUMER GOODS (DURABLE) (53)	96.57	+0.1	26.23	7.58	5.93	5.95	96.46	95.15	99.53	101.47	114.52	141.46 (21/4)	83.12 (28/10)	227.78 (21/4/72)	38.39 (6/1/75)
10	Lt. Electronics, Radio TV (15)	105.53	+0.5	23.44	8.87	6.34	6.55	105.25	101.57	107.07	108.70	125.99	160.36 (7/4)	87.51 (27/10)	257.41 (19/5/72)	42.85 (13/12/74)
11	Household Goods (13)	107.99	+1.1	26.25	11.13	5.40	5.38	106.78	107.04	108.87	111.46	166.95	187.22 (7/4)	104.30 (28/10)	263.22 (4/5/72)	63.92 (17/12/74)
12	Motors and Distributors (25)	56.57	−0.5	26.75	8.58	5.62	5.62	56.10	55.32	57.99	59.62	62.65	85.16 (3/5)	56.10 (28/10)	170.59 (15/1/69)	19.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (170)	115.25	−0.5	19.55	8.50	7.65	7.54	115.82	114.52	118.40	121.35	148.17	162.94 (4/5)	104.41 (27/10)	226.08 (16/8/72)	61.41 (13/12/74)
14	Breweries (15)	118.45	−1.4	20.14	9.71	7.44	7.44	120.09	118.25	122.52	125.74	162.09	179.43 (2/3)	111.17 (27/10)	231.87 (28/11/72)	69.47 (13/12/74)
15	Wines and Spirits (6)	129.57	−0.6	16.57	8.75	8.35	8.26	130.71	129.49	131.99	132.45	159.65	190.67 (5/5)	124.71 (29/10)	257.40 (13/7/72)	78.88 (13/12/74)
16	Entertainment, Catering (15)	145.62	+0.4	18.14	9.15	8.41	8.35	145.06	143.56	147.96	151.22	179.65	211.26 (8/3)	127.11 (28/10)	329.99 (12/12/72)	54.83 (6/1/75)
17	Food Manufacturing (23)	152.79	—	21.67	7.04	6.95	6.84	152.76	151.42	154.85	159.84	161.90	179.44 (11/5)	120.54 (27/10)	211.65 (1/6/72)	59.67 (11/12/74)
18	Food Retailing (16)	111.97	+0.7	17.41	7.05	8.49	8.42	111.15	110.29	112.66	114.31	144.52	160.05 (12/1)	92.79 (28/10)	235.08 (16/8/72)	54.25 (11/12/74)
19	Newspapers, Publishing (16)	173.21	—	14.46	6.14	10.48	10.46	173.26	173.98	176.15	178.21	161.25	184.46 (11/3)	146.46 (12/10)	360.29 (15/1/73)	55.06 (6/1/75)
20	Packaging and Paper (12)	81.88	+0.4	21.59	9.32	7.11	7.11	81.52	80.55	84.01	86.46	100.79	112.50 (26/2)	72.34 (27/10)	135.69 (28/4/72)	43.46 (6/1/75)
21	*Stores* (34)	88.23	−1.1	17.60	8.10	8.60	8.78	89.19	88.32	92.87	95.76	125.54	136.24 (2/2)	78.47 (26/10)	204.39 (16/8/72)	52.63 (6/1/75)
22	Textiles (24)	106.30	−0.1	19.04	11.15	6.20	7.43	106.42	104.47	108.14	112.54	156.20	163.34 (30/1)	96.76 (27/10)	235.78 (17/1/69)	62.66 (11/12/74)
23	Tobaccos (3)	182.45	−1.1	24.02	9.46	6.19	6.19	184.46	181.51	186.94	190.35	212.57	241.90 (3/5)	167.36 (28/10)	339.16 (2/8/72)	94.34 (13/6/62)
24	*Toys and Games* (8)	68.11	—	24.31	9.31	5.52	5.49	68.11	68.72	69.89	70.75	63.26	80.96 (16/7)	59.13 (22/1)	135.72 (16/1/70)	20.92 (6/1/75)
	OTHER GROUPS (95)															
25	Chemicals (26)	176.17	+0.1	18.36	6.56	7.42	7.42	175.92	174.70	182.27	186.41	190.58	231.38 (3/5)	166.10 (27/10)	231.38 (3/5/76)	71.20 (1/12/74)
26	Office Equipment (9)	65.29	−1.2	19.09	8.35	7.65	7.65	64.05	63.37	64.96	66.07	89.71	100.18 (19/5)	58.33 (28/10)	146.06 (1/3/72)	45.34 (2/1/75)
27	Shipping (12)	333.52	−0.4	15.24	7.91	9.36	8.49	334.97	333.25	344.61	347.51	392.20	432.64 (30/1)	308.48 (26/10)	517.00 (5/12/72)	90.80 (29/5/62)
28	Miscellaneous (48)	119.77	+0.1	19.75	9.82	7.61	7.60	119.65	119.06	122.64	126.88	152.76	173.96 (21/3)	108.14 (27/10)	258.63 (3/5/72)	60.39 (6/1/75)
29	INDUSTRIAL GROUP (496)	119.51	−0.2	20.74	8.17	7.15	7.07	119.94	118.60	122.74	125.60	147.31	168.36 (3/5)	107.32 (27/10)	230.17 (1/5/72)	59.01 (13/12/74)
30	OILS (4)	375.13	−0.8	11.41	4.70	10.15	9.34	376.30	372.29	382.10	384.10	323.56	395.84 (20/5)	315.67 (11/10)	431.56 (29/5/69)	87.23 (29/5/62)
31	500 SHARE INDEX	139.76	−0.3	18.89	7.49	7.66	7.42	140.21	139.75	143.36	146.18	162.46	183.00 (5/5)	125.80 (27/10)	227.95 (16/8/72)	63.49 (13/12/74)
32	FINANCIAL GROUP (100)	96.88	−0.1	—	8.11	—	—	96.94	95.88	99.78	103.94	135.56	154.46 (30/1)	87.19 (28/10)	241.41 (1/4/72)	55.88 (15/12/74)
33	Banks (6)	117.02	−0.1	28.87	7.86	5.33	5.33	117.14	115.60	121.68	131.94	162.82	192.16 (29/1)	111.33 (27/10)	288.32 (20/7/72)	62.44 (12/12/74)
34	Discount Houses (10)	133.93	−0.8	—	10.46	—	—	134.35	136.35	140.06	138.86	165.56	185.52 (14/1)	97.72 (28/10)	293.13 (2/5/72)	81.40 (10/12/74)
35	Hire Purchase (5)	65.56	—	11.03	10.00	20.17	20.17	65.58	65.46	65.98	68.37	95.06	132.10 (26/2)	53.25 (27/10)	435.74 (4/5/72)	38.83 (11/12/74)
36	Insurance (Life) (10)	79.36	−0.1	—	9.55	—	—	79.44	78.91	81.26	82.42	124.76	139.45 (30/1)	74.11 (28/10)	194.46 (15/3/72)	44.88 (2/1/75)
37	Insurance (Composite) (7)	77.73	+0.3	—	9.51	—	—	77.50	76.27	79.15	80.71	107.51	119.75 (30/1)	68.99 (28/10)	165.76 (21/4/72)	43.96 (13/12/74)
38	Insurance Brokers (9)	209.16	+0.5	14.37	6.86	10.42	10.42	208.19	208.55	213.92	218.07	226.44	276.90 (11/5)	176.27 (27/10)	276.90 (11/5/76)	65.86 (16/12/74)
39	Merchant Banks (15)	50.64	—	—	8.26	—	—	50.63	50.80	50.93	51.98	88.06	93.83 (27/1)	48.15 (28/10)	278.97 (1/5/72)	31.21 (7/1/75)
40	Property (32)	115.65	−0.7	5.55	4.78	32.10	30.57	116.45	114.25	120.94	126.40	162.31	194.57 (30/1)	95.95 (27/10)	337.40 (9/11/73)	56.01 (20/4/65)
41	Miscellaneous (6)	61.47	−1.5	21.86	15.54	6.96	6.95	62.30	63.15	63.94	65.09	80.81	91.98 (5/2)	55.37 (28/10)	303.18 (13/5/72)	33.29 (17/12/74)
42	Investment Trust (50)	128.10	+0.1	4.13	6.01	25.04	25.04	128.05	127.74	129.74	129.42	176.54	184.55 (30/1)	115.39 (28/10)	245.79 (25/4/72)	71.05 (14/12/74)
43	ALL-SHARE INDEX (650)	129.13	−0.3	—	7.51	—	—	129.47	128.17	132.46	135.39	156.41	174.64 (30/1)	115.39 (27/10)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS (*Not included in 500 or All-Share indices*)															
44	Rubbers (9)	493.69	+0.1	8.37	5.82	15.98	14.57	493.28	495.72	505.38	507.22	387.41	523.40 (1/6)	404.67 (14/1)	555.37 (25/7/75)	84.66 (25/6/62)
45	Teas (8)	131.73	−0.3	32.01	9.32	4.11	3.98	132.07	133.42	132.07	130.61	109.37	142.45 (4/7)	117.80 (7/1)	172.45 (6/7/76)	59.72 (11/10/74)
46	Coppers (3)	156.81	−0.6	41.47	7.17	2.41	2.41	157.05	152.39	148.15	153.21	267.01	301.47 (7/1)	145.41 (9/11)	567.78 (16/1/75)	94.06 (26/4/62)
47	Mining Finance (11)	65.24	−0.6	11.22	5.60	9.78	9.71	65.93	63.81	64.49	66.31	109.48	119.77 (7/1)	[illegible]	175.90 (18/4/69)	66.31 [illegible]
48	Tins (5)	114.03	−1.4	12.40	9.75	12.40	12.24	115.66	116.94	117.7	[illegible]	97.85	128.36 (7/1)	96.09 [illegible]	128.36 (7/10/76)	64.65 [illegible]
49	Overseas Traders (13)	196.96	+0.3	18.64	6.83	7.36	7.35	196.16	195.66	199.94	[illegible]	219.17	254.47 (6/5)	178.31 (27/10)	254.47 (6/5/76)	97.47 (6/1/75)

	FIXED INTEREST	Wed. Nov. 24 Index No.	Wed. Nov. 24 Yield %	Tuesday Nov. 23	Monday Nov. 22	Friday Nov. 19	Thurs. Nov. 18	Wed. Nov. 17	Tuesday Nov. 16	Monday Nov. 15	Year ago (approx.)	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	15.01	15.00	15.11	14.98	15.09	15.19	15.19	15.19	14.79	—	—	—	—
2	20-yr. Govt. Stocks (6)	44.50	†14.52	44.52	44.33	44.57	44.24	44.03	44.00	44.03	48.76	53.46 (20/1)	42.31 (27/10)	115.42 (11/7/63)	38.97 (6/1/75)
3	20-yr. Red. Deb. & Loans (15)	44.64	†16.46	44.50	44.50	44.39	44.31	44.22	44.16	43.91	46.07	52.40 (21/6)	43.09 (2/11)	113.43 (28/10/63)	37.01 (6/1/75)
4	Investment Trust Prefs. (15)	43.30	16.06	43.16	43.16	43.11	42.99	42.95	42.80	43.07	46.62	51.93 (18/3)	40.94 (8/11)	114.41 (14/9/63)	34.46 (4/12/74)
5	Coml. and Indl. Prefs. (20)	60.32	14.97	60.32	60.37	60.32	60.07	59.97	59.50	59.12	64.23	71.97 (24/3)	54.99 (8/10)	114.96 (17/10/63)	47.67 (6/1/75)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00	Food Retailing	29/12/67	114.13
Engineering (Heavy)	31/12/71	153.84	Insurance Brokers	29/12/67	96.67
Engineering (General)	31/12/71	153.84	Mining Finance	29/12/67	100.00
Wines and Spirits	13/1/70	144.76	All Other	10/4/62	100.00
Toys and Games	16/1/70	135.72			
Office Equipment	16/1/70	128.20			
Shipping	31/12/70	[illegible]			
Miscellaneous Financial	31/12/70	[illegible]			
Food Manufacturing	29/12/67	[illegible]			

† Redemption yield. FT-Actuaries indices are calculated by ... [illegible]

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 22p. A record of the indices, ... from FT Business Enterprises, ... [illegible]

FINANCIAL TIMES STOCK INDICES

[illegible]

HIGHS AND LOWS

	1976 High	1976 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	65.21 (30/1)	55.28 (27/10)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	64.43 (2/2)	55.97 (26/10)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	420.8 (4/5)	269.3 (27/10)	549.2 (19/5/72)	49.4 (26/6/40)
Gold Mines	246.9 (2/1)	76.6 (25/8)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

[illegible]

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1976 high	1976 low
ICI	£1	13	291	+1	402	256
BATS Dfd.	25p	12	210	+2	225	163
Ladbroke	10p	10	83	+3	116	56
BP	£1	9	700	−8	716	557
Shell Transport	25p	9	396	−2	462	352
Barclays Bank	£1	8	200	+2	350	190
Beecham	25p	8	320	—	390	289
Distillers	50p	7	100	+½	158	95½
Assoc. Eng. "New"	Nil/pd.	6	7*	+½	7*	4*
Brkn H. Prp 'New'	Nil/pd.	6	225*	—	285*	225*
Burmah Oil	£1	6	31	—	53	25
Debenhams	25p	6	53	—	101	48
European Ferries	25p	6	42½	−½	80	40
Fisons	£1	6	252	−1	417	237
House of Fraser	25p	6	57	+2	95	41

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e).
* *Premium.*

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Nov. 23	Dec. 6	Feb. 24	Mar. 8
Dec. 7	Dec. 20	Mar. 10	Mar. 22
Dec. 21	Jan. 11	Mar. 24	Apr. 5

Calls were dealt in Ultramar, Savoy Hotel "A," Charterhall Finance, Plessey, ICI, Ladbroke and Lonrho. Puts were done in Marks and Spencer and Guest Keen, while doubles were arranged in ICI, Inter-european Properties, Geo. Wimpey, Guest Keen, Beecham, B.P., Racal Electronics, Ladbroke and National Westminster Bank Warrants. Short-dated calls were dealt in Ladbroke and Lonrho while puts were done in Marks and Spencer and Guest Keen, and doubles were arranged in ICI, Guest Keen, Beecham, B.P., Racal Electronics, and Ladbroke.

Industrials							
A. Brew	3½	E.M.I.	17	Marks & Sp'ncer	6	Brit. Land	5½
A. P. Cement	26	Fitch Lovell	6	Midland Bank	22	Cap. Counties	5
Assoc. Leisure	6	Gen. Accident	12	Nat'l West Bank	20	E.P.	5
BSR	9	Gen. Electric	13	"Do" Warrants	7½	Intereuropean	7
Babcock	8	Glaxo	35	P & O Dfd.	11	Land Securities	14
Barclays Bank	22	Grand Met.	7	Plessey	7	MEPC	7
Berry Wiggins	5	G.U.S. "A"	16	R.H.M.	5	Peachey	6
Beecham	28	Guardian	18	Rank Org. "A"	18	Samuel Props.	4½
Boots	12	G.K.N.	26	Reed Int'l	25	Town & City	2½
Bowater	16	Hawker Sidd.	35	Reyrolle	11		
[illegible]		House of Fraser	8	Rothmans	4	Oils	
[illegible]		I.C.I.	20	Slater Walker	4	Brit. Petroleum	40
Debenhams	8	London Brick	4½	Williams Hud'n	4	Hampton Areas	12
Distillers	15	Lonrho	9	Woolworths	6	Rio T. Zinc	18
Dunlop	7½	Lucas Inds.	30			Western M'ng	16
Eagle Star	11	Mines	7	Property			

NEW HIGHS AND LOWS FOR 1976

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1976.

NEW HIGHS (3)

Kinloch

Country & New Town

Killinghall

NEW LOWS (23)

[illegible]

RISES AND FALLS YESTERDAY

	Up	Down	Same
[illegible]			
Totals	324	437	1,795

BASE LENDING RATES

Allied Irish Banks Ltd.
American Express Bank
Anglo-Portuguese Bank
Henry Ansbacher
Banco de Bilbao
Bank of Cyprus
Bank of N.S.W.
Banque du Rhone S.A.
Barclays Bank
Barnett Christie Ltd.
Bremar Holdings Ltd.
Brit. Bank of Mid. East
■ Brown Shipley
Canada Perm't AFI
Capitol C. & C. Fin. Ltd.
Cayzer, Bowater Co. Ltd.
Cedar Holdings
■ Charterhouse Japhet
C. E. Coates
Consolidated Credits
Co-operative Bank
Corinthian Securities
Credit Lyonnais
Duncan Lawrie
Eagil Trust
English Transcont.
First London Secs.
First Nat. Fin. Corp.
First Nat. Secs. Ltd.
■ Antony Gibbs
Greyhound Guaranty
Grindlays Bank
■ Guinness Mahon
■ Hambros Bank
Hill Samuel
C. Hoare & Co.
Julian S. Hodge
Hongkong & Shanghai
Industrial Bank of Scot.
Keyser Ullmann
Knowsley & Co. Ltd.
Lloyds Bank
London & European
London Mercantile
Midland Bank
■ Samuel Montagu
■ Morgan Grenfell
National Westminster
Norwich General Trust
P. S. Refson & Co.
Rossminster Accept'cs
Royal Bk. Canada Trust
Schlesinger Limited
E. S. Schwab
Security Trust Co. Ltd.
Shenley Trust
Standard Chartered
Trade Dev. Bank
Twentieth Century Bk.
United Bank of Kuwait
Whiteaway Laidlaw
Williams & Glyn's
Yorkshire Bank

■ Members of the Accepting Houses Committee.

* 7-day deposits ... [illegible]

† 7-day deposits on sums of £10,000 and under ... [illegible]

‡ Demand deposits ... [illegible]

§ Call deposits over £1,000 ... [illegible]

CORAL INDEX: Close 294-299

INSURANCE BASE RATES

[illegible]

MONEY MARKET

Exceptional shortage

Bank of England Minimum Lending Rate 14¼ per cent. (since November 19, 1976)

Day-to-day credit was in very short supply in the London money market yesterday, and the authorities gave exceptionally large assistance by buying an extremely large number of Treasury bills and local authority bills from the discount houses and banks, and by lending a very large amount, overnight at Bank of England Minimum Lending Rate, to 10 or 11 houses.

Banks carried forward surplus balances from Tuesday, and a fall in the note circulation was also in the market's favour. These were outweighed however by a net market take-up of Treasury bills, a very large excess of revenue payments to the Exchequer over Government disbursements, and repayment of the previous day's large overnight loans to the market.

Discount houses paid about 14¾ per cent. for secured call loans in the early part and closing balances were taken at around 14-14½ per cent.

In the interbank market overnight loans opened at 15¼-15¾ per cent. and eased to 15¼-15½ per cent. By mid-afternoon rates increased to 16 per cent., but rose sharply in very thin trading to touch 30 per cent. in places, before closing at around 30 per cent.

Short-term fixed period interest rates were fairly steady.

Rates in the table below are nominal in some cases.

Nov. 24 1976	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company deposits	Discount market deposits	Treasury bills ⊕	Bank Bills ⊕	Fine Trade Bills ⊕
Overnight	—	15¼-30	—	—	—	—	14-14½	—	—	—
2 days notice	—	—	15¼	—	—	—	—	—	—	—
7 days or 7 days notice	—	15⅝-15⅞	15¼-15⅞	—	15¼-15¾	—	14⅝-14¾	—	—	—
One month	15¼-15	15¼-15½	15⅝-16⅛	15½-15	15⅞-16¾	—	14¼-14½	13⅞-13¾	15¼-15	15⅝-15¼
Two months	15⅛-14⅞	14⅞-15¼	—	15¼-14⅝	15-15¼	—	14-14¼	13¾	14⅞-14½	15¼
Three months	14⅞-14¾	14⅞-15	14¾-15	15¼-14⅞	14¾-15¼	—	13¾-14	14-14½	14⅝	15¼-15
Six months	14-14¾	15⅞-14⅞	14¾-14¾	14¼-15½	14-15	—	—	—	15⅜	16¼-14⅛
Nine months	13⅞-14½	16⅛-15⅞	—	14¼-16⅞	14-15	—	—	—	—	—
One year	14⅞-15⅛	14¼-15¾	14⅞-15	14½-15⅞	14-15	—	—	—	—	—
Two years	—	—	15¼-15	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days fixed. * Long-term local authorities mortgage rates nominally three years 14½-15 per cent.; four years 14½-15 per cent.; five years 14½-15 per cent. ⊕ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 14-13 15/16 per cent.; four-month trade bills 15¼-14¾ per cent. Approximate selling rate for one-month Treasury bills 13 25/32-13½ per cent.; two-month 13 27/32 per cent.; ... [illegible]

Finance Houses Base Rates (published by the Finance Houses Association): 14 per cent. from November 1, 1976. Clearing Bank Deposit Rates for small sums at seven days' notice 11 per cent. Clearing Bank Base Rates for lending 14 per cent. Treasury Bills: Average tender rates of discount ... [illegible]

AUTHORISED UNIT TRUSTS

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2. 01-600 4555

Cnv.Bd. Nov. 23	$US8.78	-0.02	—
Energy Int. Nov. 23	$US23.70	-0.07	—
Gr.St.$Fd.Oct. 29	$US4.93	.....	—

Warburg Invest. Mngt. Jrsy. Ltd.
1 Charing Cross, St. Helier, Jsy. C.I. 0534 73041

CMF Ltd. Oct. 28	$US9.56	9.81	.....	—
CMT Ltd. Oct. 28	£9.13	9.37	.....	—
Metals Tst. Nov. 18	£12.27	12.57	.....	—
TMT Nov. 11	$US9.96	10.22	.....	—
TMT Ltd. Nov. 11	£10.10	10.36	.....	—

World Wide Growth Management
10a, Boulevard Royal, Luxembourg

WorldWideGth.Fd.	$US11.43	-0.06	—

NOTES

Prices do not include $ premium, where applicable, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ¶ Net of tax on realised capital gains unless indicated by ♦. † Guernsey gross. ‡ Suspended. ‡‡ Single premium insurance bonds. ♦ Yield before Jersey tax.

REGIONAL MARKETS

A selection of the share prices previously shown under regional headings is presented below with quotations on London. Irish issues, most of which are not officially listed in London, are shown separately and with prices as on the Irish exchange.

						IRISH		
						Conv. 9% 80/82	£79¼	.....
Albany Inv. 20p	16	.....	Higsons Brew.	60xd	.....	Alliance Gas	47	.....
Ash Spinning	34	.....	I.O.M. Stm. £1	130	.....	Arnott	190	.....
Bertam	21	.....	Holt (Jos.) 25p	182	.....	Carroll (P.J.)	92	.....
Bdg'wtr. Est. 50p	122	.....	Kleen-e-Ze	32	.....	Clondalkin	35	.....
Clover Croft	24	.....	Lovell's Ship £1	180	-5	Concrete Prods.	41	+1
Craig & Rose £1	350	.....	N'thn. Goldsmith	21	.....	Helton (Hldgs.)	20	.....
Dyson (R.A.)	20	.....	Pearce (C. H.)	85	.....	Ind. News	35	.....
Ellis & McHdy	60	.....	Peel Mills	11	.....	Ins. Corp.	[illegible]	.....
Evans Fr'k. 10p	22	.....	RobbCaledon Sh.	42½	+5½	Irish Distillers	[illegible]	.....
Everald	8	.....	Sayers 12½p	15	.....	Irish Ropes	[illegible]	.....
Fife Forge	49	-4	Sheffield Brick	73	.....	Jacob	41	.....
Finlay Pkg. 5p	16	.....	Sheff. Refrshmt.	139	.....	Sunbeam	10	+1
Graig Ship. £1	300xd	.....	Shiloh Spinn.	21xd	.....	T.M.G.	72	.....
Hallam Sleigh 10p	6	.....	Sindall (Wm.)	48	.....	Unidare	42	.....

LEADERS AND LAGGARDS

The following table shows the percentage changes* which have taken place since December 31, 1975, in the principal equity sections of the F.T.-Actuaries Share Indices. It also contains the F.T. Gold Mines Index.

Tins	+ 23.65	Consumer Goods (Non-Durable) Goods	- 22.56
Rubbers	+ 22.46	Discount Houses	- 23.26
Oils	+ 13.56	Investment Trusts	- 24.08
Teas	+ 11.54	Breweries	- 24.35
Toys and Games	+ 9.61	Electronics, Radio and TV	- 24.61
Newspapers and Publishing	+ 6.60	Office Equipment	- 24.78
Machine Tools	- 2.93	Wines and Spirits	- 25.33
Insurance Brokers	- 4.86	Mining Finance	- 25.82
Motors and Distributors	- 5.08	Insurance (Composite)	- 26.59
Shipping	- 9.08	Stores	- 27.74
Chemicals	- 10.94	Financial Group	- 28.74
Electricals	- 12.71	Banks	- 29.27
Overseas Traders	- 13.94	Building Materials	- 30.56
Engineering (General)	- 14.37	Insurance (Life)	- 32.53
Engineering (Heavy)	- 14.41	Property	- 33.27
500 Share Index	- 15.07	Textiles	- 34.77
Tobaccos	- 16.41	Household Goods	- 36.62
All-Share Index	- 18.10	Hire Purchase	- 36.69
Food Manufacturing	- 18.25	Coppers	- 39.93
Consumer Goods (Durable) Group	- 18.92	Gold Mines FT	- 40.43
Industrial Group	- 20.09	Merchant Banks	- 40.65
Capital Goods Group	- 20.55	Contracting and Construction	- 43.06
Packaging and Paper	- 21.71		
Food Retailing	- 22.42		
Entertainment and Catering	- 22.48		

* Percentage changes based on Tuesday, November 23, 1976, indices.

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1976 High	Low	Stock	£	+ or −	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
101½	99¼	Treasury 10½pc 1976‡‡	99⅞	.....	10.55	13.96
93⅞	95⅞	Treasury 6¾pc 1977‡‡	98	.....	6.38	13.35
97¼	94⅝	Electric 3pc 74-77	97⅜	.....	3.08	11.99
103⅞	97⅞	Treasury 11½pc 77‡‡	98⅝	+⅛	11.66	13.15
95½	91⅞	Treasury 3pc 77‡‡	94⅛	.....	3.18	9.45
95⅝	92¼	Transport 4pc 72-77	94⅞xd	+⅛	4.22	9.36
99⅞	90½	Treasury 9pc 1978‡‡	95⅜	.....	9.44	13.09
102½	93⅞	Treasury 10½pc 78‡‡	95⅝	.....	10.98	13.52
93¼	89⅝	Exch. 5pc 76-78	90¾	.....	5.51	10.65
105⅜	92⅞	Treasury 11½pc 79‡‡	94⅞	+⅛	12.16	14.53
98¼	92⅞	Treas. 11½pc 79 'A'‡‡	93⅞	+⅛	12.16	14.33
88⅞	82¼	Treasury 3pc 79‡‡	84⅛		3.57	9.56
89⅞	82¼	Electric 4½pc 74-79	85¼	+⅛	4.95	10.37
100⅞	88⅞	Treasury 10½pc 79‡‡	91⅛	−⅛	11.53	14.32
89¼	82¼	Electric 3½pc 76-79	84⅛	.....	4.16	9.78
96⅞	84½	Treasury 9pc 1980‡‡	86⅞	+⅛	10.37	14.17
96½	84⅞	Treasury 9½pc 80‡‡	87⅛	.....	10.89	14.32
86	78¼	Treasury 3½pc 77-80	80⅛xd	+⅛	4.35	10.24
89½	80	Funding 5¾pc 78-80‡‡	81⅞	+⅛	6.44	11.77
—	—	Exch 13pc 1980‡‡	£95¼	.....	13.51	14.25
103⅞	89½	Treasury 11½pc 1981‡‡	91⅛	−⅛	12.60	14.34
86	76¼	Treasury 3½pc 1979-81	77⅞	.....	4.52	10.21
95⅝	62⅞	Treasury 9¾pc 1981‡‡	85⅞	+⅛	11.43	14.40
		Five to Fifteen Years				
94⅛	79⅞	Treasury 8½pc '80-82‡‡	84⅛	.....	10.49	13.74
70½	63¼	Treasury 3pc '82‡‡	70½	.....	4.27	10.57
99⅞	98¼	Treasury 14pc '82‡‡	98⅜	.....	14.25	14.49
107¼	83⅞	Treasury 12pc 1983‡‡	92⅝	.....	13.28	14.36
61⅞	69⅞	Funding 5½pc '82-84‡‡	72¼	.....	7.83	11.76
87⅝	74⅞	Treasury 8½pc '84-86‡‡	78¼	.....	11.33	13.13
74⅞	60⅞	Funding 6½pc '85-87‡‡	63⅝	.....	10.28	13.06
77⅞	65⅛	Treasury 7¾pc '85-88‡‡	66⅝	.....	11.73	13.77
51⅞	44⅞	Transport 3pc '78-88	47⅞	.....	6.46	11.46
50¼	48	Treasury 5pc '86-89	50⅞	.....	9.94	13.06
103¼	87¼	Treasury 13pc 1990‡‡	92½	.....	14.81	15.14
75⅞	61⅝	Treasury 8¼pc '87-90‡‡	63⅞xd	.....	12.92	14.40
60	47⅞	Funding 5¾pc '87-91‡‡	50½	.....	11.57	13.94
		Over Fifteen Years				
100½	64⅞	Treasury 12¾pc '92‡‡	88⅞	.....	15.09	15.39

[illegible]

Undated

[illegible]

**INTERNATIONAL BANK

75 | 68½ | 5pc Stock '77-82 | 74¾ | ..... | 6.81 | 11.44

**CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS (Miscel.)

[illegible]

FOREIGN BONDS & RAILS

[illegible]

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

[illegible]

S.E. List Premium 40¼% (based on $1.6537 per £)

Conversion factor 0.7130 (0.7177)

CANADIANS

[illegible]

S.E. List Premium 40¼% (based on $1.6404 per £)

BANKS AND HIRE PURCHASE

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

BUILDING INDUSTRY—Continued

[illegible]

CHEMICALS, PLASTICS

[illegible]

CINEMAS, THEATRES AND TV

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY AND STORES—Continued

[illegible]

ELECTRICAL AND RADIO

[illegible]

ENGINEERING, MACHINE TOOLS

[illegible]

ENGINEERING—Continued

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS AND CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

صكرا من الاجل

INDUSTRIALS—Continued

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
72	53	Hoskins & H 20p	53	—	4.25	2.6	12.4	4.8
29	16½	Howard Tenens	18½	—	2.11	—	17.6	—
91	61	Hunting Assoc.	66	—	t2.64	8.4	10.3	3.3
76	38	Huntleigh 10p	39	—	†1.92	4.7	7.6	5.0
61	32½	Hutch. Int. SHK1	52	—	—	—	—	—
14	5¾	Hyman (I. & J.)	9	—	d0.16	ϕ	2.8	ϕ
£18⅞	£14½	I.C. Industries$	£16⅜	—	tQ$1.40	—	5.3	—
359	250	Imp. Cont. Gas £1	272	—	7.98	2.3	4.6	14.4
24	16	Ingall Inds. 10p	18	—	1.57	1.9	13.4	6.0
66½	37	Initial Services	41½	—	3.68	1.5	13.7	7.3
14½	4½	Inter-City 20p	4½xd	—	±0.8	1.8	‡	3.1
151	90	Int. Computers £1	113	—	0.65	32.9	0.9	4.7
30	23½	James (John)	24	—	2.27	1.7	14.6	5.5
31	18	James (M) 10p	22	—	d2.57	1.2	18.9	6.5
422	264	Jardine M. SHK5	275	−1	Q63c	2.3	3.0	14.6
11	6¼	Jentique 5p	6¾	—	0.53	1.8	12.2	6.9
22	10	Johns'n & B. 12½p	10	—	—	—	—	—
42	23½	Johnson Clnrs.	25	—	†2.32	2.0	14.3	5.4
390	240	Johnson Mthy. £1	290	—	11.08	3.6	5.9	6.7
32	7	Judge Int.	9	—	‡1.85	1.7	‡	—
24½	16	Kalamazoo 10p	16½	+½	1.73	1.2	16.2	7.8
54	42	Kelsey Inds. 10p	42	—	2.63	3.5	9.9	4.4
20	11	Kennedy Sm. 10p	13	—	1.36	1.6	16.2	6.1
760	375	Kershaw (A.) 5p	387	—	12.81	0.6	5.1	—
290	133	Kleeman	155	—	td4.26	6.0	4.2	6.2
45	27	Kode Int.	37xd	—	†1.33	2.0	5.6	5.7
74	50	L.C.P. Hldgs.	59½	−½	†3.9	1.6	10.3	9.0
26	17	L.K. Ind'l. Invs.	17	—	d2.14	2.0	20.6	3.8
49½	33	L.R.C. Int. 10p	40½	+½	3.09	1.8	11.7	6.6
90	40	Lamson Inds.	40	−1	2.5	2.4	9.6	6.1
40	15	Lawtex	21xd	—	2.0	0.3	14.6	19.7
156	104	Lead Inds. 50p	109	—	†5.09	4.5	7.2	4.8
62	53	Leadenhall Sig.	58	—	t3.66	2.8	10.0	4.5
70	39	Le Bas (Ed)	44	—	†1.48	14.6	5.2	2.2
43	28½	Leboff Fobel 10p	34½xd	+½	†1.48	2.5	6.6	9.3
59	28	Lebus Harris	38	—	2.93	3.2	11.9	2.9
37	21	Leigh Ints. 5p	24	—	0.89	8.4	5.7	3.2
84	70	Leisure Car. 10p	71	—	4.82	1.9	10.4	7.9
136	82	Lep Group 10p	85	—	2.77	5.2	5.0	5.4
70	35½	Lesney Prods. 5p	57	—	t2.34	6.5	6.3	4.6
78	51	Letraset 10p	64	+1	2.54	3.5	6.1	6.2
14½	8	Liden 10p	8½	−½	—	—	—	—

INSURANCE

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr
86	48	Bowring (C. T.)	55	—	t2.64	3.5
41	27½	Brentnall Bd. 10p	39	—	t1.14	2.7
156	92	Britannic 5p	100	—	7.47	—
£10⅞	10	Combined Am. $1	£10¾	+¼	Q80c	—
158	75	Comm. Union	89	—	6.84	—
144	74	Eagle Star	84	—	g5.49	—
£128½	£91	Emtia UK 9%Cnv.	£96xd	−1	Q9%	—
184	76	Equity & Law 5p	90	—	5.44	—
175½	117	Gen. Accident	128	−1	t7.25	—
225	128	Guardian Royal	145	+1	†8.27	—
235	142	Hambro Life	168xd	−3	b13.75	—
434	264	Heath (C.E.) 20p	382	−3	‡13.0	3.1
179	108	Hogg Robinson	124	—	t5.52	4.1
163½	101	Howden (A.) 10p	124	+2	t5.0	5.8
148	81	Legal & Gen. 5p	85	—	†4.65	—
139	90	Les. & Gdwn. 10p	99	−1	3.69	2.5
140	68	Lon. & Man. 5p	70	—	†4.64	—
64	43	London United 5p	50	—	t3.76	1.8
226	154	Matthew Wr. 20p	160	—	†8.04	2.5
140	100	Minet Hldgs. 20p	129	+5	b3.73	3.2
50	44	Moran (Chris) 20p	44	−1	b3.25	1.7
250	134	Pearl 5p	152	—	†10.24	—
240	132	Phoenix	158xd	+2	†8.42	—
148	93	Provident "A"	93xd	—	†6.65	—
148	93	Do. "B"	93xd	—	†6.65	—
146	84	Prudential 5p	92	—	†5.41	—
130	78	Refuge 5p	80	—	6.83	—
352	208	Royal	242xd	+4	†13.39	—
282	176	Sedg. Forbes 10p	220	+2	t8.59	1.7
113	68	Stenhouse	78	—	t3.63	2.0
470	290	Sun Alliance £1	303xd	—	†16.4	—
98	47	Sun Life 5p	53	—	2.79	—
965	695	Taisho Mar. EDR	865	—	Q11%	—
157	110	Trade Indemnity	110	—	†6.83	—
£34	£20½	Travelers $2.50	£31	−¼	Q$1.08	—

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

TRUSTS—Continued

Finance, Land, etc.

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

CENTRAL RAND

EASTERN RAND

MINES—Continued

FAR WEST RAND

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
710	250	Blyvoor 25	380	−15	Q75c	1.6	14.3
£24	440	Buffels R1	690	−30	Q125c	1.6	13.1
140	70	Deelkraal R0.20	96	+2	—	—	—
760	125	Doornfontein R1	250	−25	Q55c	2.2	15.9
965	330	East Drie R1	650	−20	Q75c	1.7	8.3

O.F.S.

FINANCE

DIAMOND AND PLATINUM

CENTRAL AFRICAN

AUSTRALIAN

TINS

COPPER

MISCELLANEOUS

1976 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
10	8	Burma Mines 17½p	9	—	0.1	ϕ	1.9
35½	25½	Charterhall 5p	20½	−1½	—	—	—
990	550	Cons. Murch. 10c	600	−20	†Q80c	1.8	9.6
425	245	Northgate C$1	405	+75	—	—	—
239	132	R.T.Z.	149	−1	g5.96	2.1	6.2
112	67	Sabina Inds. C$1	69	−1	—	—	—
£15⅞	£10	Tara Exptn. $1	£12¼	—	—	—	—
45	32½	Tehidy Minerals 10p	35	−1	th1.06	ϕ	4.8
145	84	Yukon Cons. C$1	113	−2	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- • "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Unlisted security.
- ¤ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- •• Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ▲ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✣ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital: cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and or rights issue. H Dividend and yield based on prospectus or other official estimates for 1976-77. K Figures based on prospectus or other official estimates for 1976-77. M Figures based on prospectus or other official estimates for 1976. N Dividend and yield based on prospectus or other official estimates for 1976. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 21

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FINANCIAL TIMES
Thursday November 25 1976

NOW UNION OFFICIALS AGREE

Halewood less efficient than Belgian plant

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

A REPORT compiled by a joint party of top-level managers, shop stewards and civil servants involved in the motor industry has concluded that one of Britain's newest car plants operates less efficiently than a comparable factory on the Continent.

The report, circulated only privately so far, compares the Ford operations at Genk in Belgium and at Halewood in Liverpool. It is the first time that senior trade union officials have admitted a disparity of *standards between the industry* in the U.K. and some parts of Europe.

It goes some way toward confirming criticisms of the industry's poor output record in the Central Policy Review Staff's *report last year*.

No doubt

Among those contributing to the new document were Mr. Bob Wright, a former executive member and now assistant general secretary-elect of the Amalgamated Union of Engineering Workers; and Mr. Moss Evans, national organiser of the Transport and General Workers' Union.

Mr. Wright said last night that the report highlighted the smoother operations of the Ford plant at Genk, and its freedom from industrial conflict.

There was no doubt that this factory had a "higher level of efficiency" than the comparable Ford plant at Halewood, although Mr. Wright stressed that this did not necessarily mean that the Belgian *employees were working* harder.

Mr. Wright and Mr. Evans, with shop stewards from the four car companies, were members of a joint motor industry team which made secret visits earlier this year to the two Ford factories.

The visit was arranged under the *auspices* of the tripartite committee, the organisation brought together earlier this year by Mr. Eric Varley, the Industry Secretary, to develop a more common approach to tackling the industry's problems.

It is composed of Government officials; managing directors of the "big four" car companies; Mr. Jack Jones of the TGWU; and Mr. Hugh Scanlon of the AUEW.

Another member of the team, *Mr. Peter Frearson*, plant director at Longbridge body and assembly, said that he would like to take more Leyland workers on trips to examine Continental car production methods.

He was impressed by the mobility of labour and the trust between workers and management at Genk.

The two *Ford plants* were apparently chosen for the exercise because they were used for *similar purposes of comparison* by the Central Policy Review Staff in its damning report on the British industry last year.

It came to the conclusion that there was a considerable productivity gap to the disadvan*tage of the* British car manufacturers. It also thought this failing had more to do with poor work methods than with differences in capital investment, a theory which ran counter to the standard trade union argument.

Following that report, pressure built up in the trade union movement for more proof of these differences and eventually led to the tripartite mission in July.

While accepting the general conclusion of the tripartite report, that Ford's Genk plant had a better output record than Halewood, the trade unionists on the committee have been careful to express this as a question *of efficiency rather than productivity*.

They have taken clear steps to avoid the implication that British car workers do not work as hard as their Continental counterparts, and point out that *efficiency* can be affected by many factors, including component supplies, managerial standards and industrial relations.

Battleground

But they are in general agreement with one central point of the tripartite report, that Genk has a better record of continuous production.

The issue of continuous production has become the main battleground in the British industry. The British Leyland and Ford managements in particular have been *hammering* home the message that substantial improvements in productivity can accrue simply from achieving a steady production flow.

Ford has adopted a new and serious stance towards the small *disputes which have a crucial* effect on the rest of the production lines.

The tripartite report may be presented at a large seminar of motor industry shop stewards and managers, although it could clearly be embarrassing to Ford to be examined in isolation.

Car industry disputes, Page 13

Exchange control curbs worry Export Houses Association

BY MICHAEL BLANDEN

SERIOUS CONCERN is being expressed in the City over the impact of the new exchange control restrictions introduced last week on important areas of invisible earnings.

The British Export Houses Association, *representing export* finance houses, confirming houses and merchants, expressed worries at a meeting with the Bank of England yesterday.

The Association said the new rules were introduced without consultation, and "appear at first sight to present insurmountable difficulties to many members' *operations*."

Until clarification was available, the Association said, new business was halted. Last night, Mr. G. E. D. Bonham-Carter, the chairman of the Association, said the Bank had given them a "very helpful reception."

There is also uncertainty among commodity dealers, particularly in the "minor" metal traders. In a special message to the Bank, Mr. L. Lubett, chair*man of the Minor Metals Traders'* Association, said the new rules could put a "stranglehold" on the activities of U.K. metal merchants trading in world markets.

The restrictions, announced at the same time as last week's re-imposition of the corset controls on bank lending, are designed to eliminate the present widespread *use of sterling in financing trade* between third countries outside the U.K. Instead, merchants are required to arrange lines of credit in foreign currency to finance this trade.

The importance of the trade was underlined by the Export Houses, which said that a recent survey shows that third country *trade totalled some £1bn. a year*, and of this over half was in the overseas sterling area which is *particularly affected* by the new regulations. Third country trade also accounted for 60-70 per cent of the merchants' business.

The Export Houses said they accepted that it might be necessary to limit the role of sterling in financing third country trade. "But it believes that it should be possible to achieve this objective *while continuing to enable this* trade to be carried out from this country."

Curbs worry commodity traders, Page 31

German reaction cautious over depreciation allowance call

BY ADRIAN DICKS

BONN, Nov. 24.

THE WEST GERMAN Government reacted cautiously to-day *to the suggestion by its top* panel of independent economic advisers that it should assist the labour market and relax corporate tax depreciation allowances in 1977 to the tune of some DM3bn. (£765m).

In a Press conference here to-day to present their annual report, the panel known as the *"Five Wise Men," (they are five* leading academic economists) attempted to play down the reflationary implications of their proposals.

Professor Olaf Sievert, the panel's chairman, said the programme did not call for any change in overall economic policy, but attempted to "improve the structural conditions for production." Too little had been done to create new jobs during the past year, and too little had been spent on new investment.

The proposal by the panel was not touched on in to-day's Cabinet discussion on the economy. Herr Hans Friderichs, the Economics Minister, called it "food for thought," and said it would be studied in detail.

However, he laid greater emphasis on the degree to which the panel's annual report approves the overall scope of present economic policy and accepts the Government's own broad assumptions for next year.

Fresh support for the Government's view that no new measures are required came in a separate study published by the Berlin-based Deutsche Institut fuer Wirtschaftsforschung.

It reports a 6 per cent. increase in real *Gross National* Product growth during the third quarter—equal to that during the second—and predicts a continuation of this trend during the fourth quarter.

The Five Wise Men's report takes a less optimistic view of the prospects than most other *commentators*, seeing an average unemployment figure of 900,000 next year and a growth rate of no more than 4-4.5 per cent. if no new policy measures are taken. They argue that a "pre-cautionary growth policy pro*gramme" would cut* the unemployment rate by 100,000 and add at least 1 per cent. to GNP growth.

Their conclusions received a favourable reaction from the DGB, the West German trade union organisation. Employers' federations welcomed their depreciation allowance proposal and warning that wage settlements should not exceed this year's.

West German politics Page 4

Continued from Page 1

Callaghan

Committee has reported, a wide-*ranging Criminal Law and* Administration Bill covering squatters and hooliganism, restriction on unemployment benefit to some occupational pensioners, reform of patent law, and an extension of the fishing limits to 200 miles.

The earliest Bills, to be published this week or early next, will be on shipbuilding nationalisation, devolution, fishing limits, and increasing employers' *National Insurance* contributions.

But as Mrs. Margaret Thatcher, the Conservative leader, commented in a speech fiercely critical of the Government's handling of the economy: "It will not be legislation which dominates the lives of people this year. It will be how successfully we *manage to cope with the country's* deficit, with public expenditure and with taxation."

The Prime Minister admitted that the country's economic situation would inevitably occupy *people's minds and, in a sombre* review of the world trade situation, he said there was no doubt that the climate had deteriorated.

Until then, there had been general concern that world recovery might be too fast and inflation too high, but the reality now was that world economic growth had slackened since the first quarter of the year and in most countries, including the U.K., inflation remained too high.

"*It is still* an open question as to the continued strength of the upturn in world trade. The prospects depend *almost* exclusively on the U.S., Germany and Japan. Our estimate that on present policies, there is more prospect of the down-side risk in world trade than of too fast an expansion.

"*The prospect, in this case*, is that unemployment will continue to rise in this country and in many other countries. This is a matter for serious concern."

Continued from Page 1

Observer

miracle that so much has been done so quickly." Last week the contest for the future *ownership* of The Observer appeared to be still between the two newspaper groups. Mr. Rupert Murdoch's News International, publishers of the Sun and the News of the World, and Mr. Vere Harms*worth's Associated* Newspapers, publishers of the Daily Mail and the London Evening News.

Both had expressed confidence that they were near to signing a deal, but it is understood that the Atlantic Richfield agreement has offered more security as well as ensuring greater independence for The Observer.

Mr. *Anderson is expected* in London next week for his first visit to his new acquisition. A statement issued in London said that no changes were planned in existing personnel and Mr. Donald Trelford would continue as editor.

Lord Goodman said yesterday that this deal stood out as "being best in the *interests of readers*, staff and the general public."

Europe Commission sets up steel production quotas

BY DAVID BUCHAN

BRUSSELS, Nov. 24.

THE EUROPEAN COMMISSION approved in principle to-night a *comprehensive package* of measures to aid the ailing European steel industry, the first time it has used its powers under the 1951 Treaty of Paris which set up the European Coal and Steel Community.

Its main feature is the setting-up of production quotas on steel deliveries by all the large European companies, plus moves to curb imports and a stand-by system of minimum reference prices.

Under Article 58 of the Paris Treaty, the Commission can, with the assent of the Council *of Ministers*, declare what is described as a "state of manifest crisis."

The package will be formally announced on December 8 by M. Henri Simonet, the Commissioner in charge of steel, who *has in recent months scurried* between national capitals and steel company board rooms preparing this plan.

By then the exact quotas for individual companies will be worked out. It is understood *here that the total allowed for* the British steel industry in the first quarter of 1977 will be the equivalent of 5.6m. tonnes of crude steel, which was its production in the first quarter of this year and rather less than is *expected in the last quarter*.

At the same time M. Simonet will announce a maximum target of 2.8m. tonnes for imports into the EEC in the first quarter of next year, though this would not take the form of a quota.

The Simonet plan, as it has been christened, had been held up by West German objections to Community "dirigisme." But these were overcome to-day when the Commission decided to set quotas only for the two "rationalisation groups" (with some five companies in each) into which the German steel industry divides itself.

The group quotas will obviously be less restrictive on individual companies.

The quotas, to take effect from January 1, will not be set on crude steel production per se, but on actual deliveries within the EEC of five products: Wire rod, reinforcing bars, sections, *heavy and* medium plate, and cold rolled sheet.

Companies will be free to produce for export or to stockpile.

Still undecided at the moment is the exact method of arriving at the company quotas whether *it should be country totals* or the EEC total that should be carried out.

It is felt that if the EEC total, companies in countries where demand is falling sharply, like Belgium, may gain at the expense of those *in*, say, Germany where demand is holding up slightly better.

Commission officials hope that imports can be curbed by voluntary restraint such as that recently offered by Japan, which accounts for 15 per cent. of EEC imports.

Talks with the aim of reaching a similar undertaking from Spain, *a provider of just under* 15 per cent. of EEC imports, are *to start soon*, officials said to-day.

Accord on Zimbabwe date in balance

BY BRIDGET BLOOM, AFRICA CORRESPONDENT

GENEVA, Nov. 24.

AFRICAN ACCEPTANCE of Britain's new proposals on an independence date *for Rhodesia* hung in the balance to-night as the African Nationalist leaders of the Patriotic Front tried to work out a common position to present to the conference chairman, Mr. Ivor Richard.

The proposals, which include a firm commitment by Britain to March 1, 1978 as the ultimate date for independence, plus an undertaking that this could be earlier by general agreement, are *thought to find favour* with a majority of the delegations of both Mr. Joshua Nkomo and Mr. Robert Mugabe, partners in the Patriotic Front.

Many meetings

It is understood that there are objections to the proposals, in particular from members of Mr. Mugabe's delegation, principally on the grounds that Britain has not committed herself to the *Front's prefrred date, December 1 next year*.

There has been a series of *discussions to-day, beginning* with an internal meeting of Mr. Mugabe's delegation this morning, followed this afternoon by joint discussions between the two Front delegations.

Then there was a private meeting between Mr. Mugabe and Mr. Nkomo. Later to-night the two men met the observers of *the "front-line" African States*, which it is thought are broadly in favour of the Africans accepting the new British formula.

There can be little doubt that the British proposals, which go much further toward meeting the African position than any so far in the four-week stalemated conference, are proving a tough test of the unity of the Patriotic Front.

Having got Britain to commit herself at least to an unequivocal date for independence, many delegates would like to move on to discussion of the main agenda item, formation of an interim Government.

But those who object to the proposals are most closely in touch with the Rhodesian African guerillas in Mozambique, whose support is vital if the conference is to succeed in bringing about a negotiated settlement. Observers last night suggested that there was *probably a slightly better than* even chance of the Front agreeing to accept the proposals and continue with the conference.

Some fears were expressed that those who have been objecting to the formula may be doing so because they believe that negotiations at this stage cannot, and indeed should not, succeed.

Alternatives

There is to be another meeting of the Front to-morrow, after which it is thought Mr. Richard would be anxious to call a plenary session of the conference.

If there is no agreement at that session, Mr. Richard has only two real alternatives. He could either endeavour to meet the probable request that December 1, 1977, become the accepted date for *Rhodesian independence; or* he could adjourn the conference, in theory for a short while to allow time for reflection, in the hope that when reconvened it would discuss the interim government.

On present showing the latter seems the *most likely course*.

Rhodesia's guerilla War, Page 6

Callaghan backs MP under attack by Left

BY RICHARD EVANS, LOBBY EDITOR

MR. JAMES CALLAGHAN intensified his campaign against a takeover of the Labour Party by extremists by writing yesterday to Mr. Neville Sandelson, the moderate *MP* under threat at Hayes and Harlington.

In the letter, sent shortly *before* Mr. Sandelson attended a meeting of his general management committee when his future was under discussion, the Prime Minister emphasised the MP's assiduous record and the unswerving loyalty he had given the Labour Government at Westminster.

He added that he knew of no *reason why* Mr. Sandelson should not continue to represent the constituency for many years and hoped he would be *able to do so*.

Blunt methods

The letter further illustrates the blunt and direct methods Mr. Callaghan intends to use to counter *extremist Left-wing* infiltration of the Labour Party, which he sees as a grave danger both internally and to the party's standing with the electorate.

Earlier this week the Prime Minister stepped into the party dispute about the appointment of Mr. Andy Bevan, an active Trotskyist, to the post of national *youth officer*. He made clear his grave reservations about the wisdom of the appointment, which the National Executive Committee will consider ratifying at its meeting next month.

Mr. Sandelson, 52, is a barrister and a founder-member of the moderate Manifesto Group at Westminster. He has been con*ducting a feud with some trade* union and Left-wing people in the constituency since he succeeded Mr. Arthur Skeffington to the seat in 1971. His opponents were particularly critical of his active support for Common Market entry.

Outspoken views

His position was worsened by his organisation of a defence campaign on behalf of Mr. Reg *Prentice during Mr. Prentice's* running dispute with his constituency party, Newham North-East.

Mr. Sandelson had a majority of 9,420 at the last General Election. He is regarded at Westminster as a conscientious MP who draws frequent attacks from the Leftwing because of his *outspoken views about* extremist infiltration.

The routine meeting of the general management committee last night discussed whether to call a special meeting to consider dropping Mr. Sandelson as candidate at the next General Election.

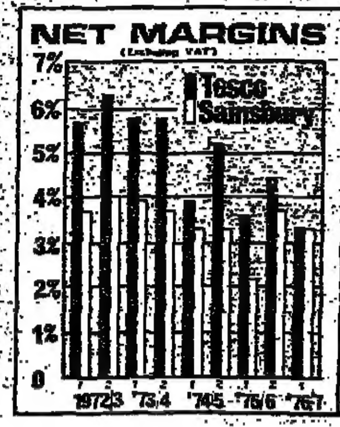
THE LEX COLUMN

Tough competition for Tesco

Index fell 1.3 to 299.0

Tesco did not push up its gross margins until mid-July, later than most of the competition, so an 18 per cent. sales rise in the half-year to mid-August looks uninspiring. After all, price inflation was running at around 14½ per cent. during the period, while new selling space would have added about 3 per cent. to the growth figures and Tesco's non-food sales rose by something *like 30* per ecnt.

However Tesco argues that it has actually managed to increase *its share of the grocery market* trade a little as a result of its pricing policy, since the overall *figures have been depressed* by a very sluggish performance in its sizeable tobacco and drinks business. It adds that a further slight fall in its net margin—which has limited the rise in pre-tax profits to a tenth at £10.2m.—can be put down to the timing of wage increases and store openings.



There is now a good change that net margins will increase somewhat over the year as a whole. As a result of the latest round of increases, the group's wage bill will rise by less than a tenth compared with well over a quarter 12 months ago. But the trouble now is that Tesco's sales growth seems to have tailed off noticeably since the summer. This does not apply to all the competition—for instance, the John Lewis Partnership seems to be still moving ahead—and it is clear that Tesco is still up against heavy competitive pressures.

The group is attempting to counter this by its heavy investment in new stores. But the *shares have fallen* twice as fast as the market since the summer, and a prospective yield of 8½ per cent. at 27½p reflects the worries about Tesco's continuing commitment to medium-sized and *small units*.

Interest rates

Some of the steam has gone out of the gilt-edged market *this week*, and although the Government Broker was supplying the long tap yesterday the *amounts* were *fairly small*; the business may have been explained by switching and by the need for the jobbers to square their books rather than by genuine investment demand. Over £400m. of the £600m. tranche, incidentally could now be gone. As for to-day's issue of *the new short tap, a reasonable* level of subscriptions is expected, *but the bulk of these* will reflect buyers taking advantage of the guaranteed terms *for switching from other stocks*.

Hopes for a further early reduction in Minimum Lending Rate *were dashed on Tuesday* by the authorities' action in putting the discount market *into the Bank for a week*, interpreted as a clear signal that the rate should not change to-morrow. It rather looks as though any significant further fall in MLR will be discouraged ahead of the mid-December economic package.

In fact the latest Monetary Bulletin from brokers W. Greenwell suggests there is little scope for lowering MLR *for the remainder of the financial year*. The reasoning starts from the fact that although the banks' interest-bearing eligible liabilities (IBELs) are being restrained by the corset, the money supply on the M3 definition also includes the unrestricted non-interest-bearing eligible liabilities (NIBELs). A high level of MLR implies a high opportunity cost when money is held in *non-interest-bearing* accounts; and hence a tendency for NIBELs to fall (as they did *after the recent jumps in MLR*). If interest rates drop back again significantly, deposits could *drift* back into the form of NIBELs thus allowing the banks to bid for more IBELs and making it more difficult for the authorities to keep under the 12 per cent. ceiling for M3.

But this is *not* the whole story, for the authorities need to keep money rates easing in *order to maintain enthusiasm* in the gilt-edged market. The discount market, at any rate, se[ems] to be anticipating a downt[urn] in MLR: its holdings of [...] gilts rose from nil to £56[m.] [in] the October banking mo[nth] since when there has appare[ntly] been a further sizeable incr[ease].

House of Fraser

House of Fraser's p[rofit] buoyancy in the third qu[arter] *stems from improved ma[rgins]* as much as from any notice[able] sales breakthrough during *autumn*. But *demand is* moving up sharply so wi[th a] third quarter of £4.9m. pr[ofit] (against £3.3m. a year [...]) under its belt the group is l[ikely] to emerge comfortably a[head] overall this year—possibl[y] £23m., against £20.8m. [This] would provide earnings [per] share of over 9p, enoug[h to] cover a prospective yield of [...] per cent. at 57p roughly t[...]

Sales since October are [run]ning some 28 per cent. hi[gher] and Fraser's gross margins [are] still improving. There has [been] a move back into higher ma[rgin] fashion wear in London [...] costs generally are rising [...] slowly helped by a reductio[n of] a tenth in the workforce [since] June; third quarter net ma[rgins] are a full 26 per cent. up o[n the] second three months of 197[6]. In fact the current [...] dominant final quarter migh[t] surprise everybody—but [the] economic outlook for demar[nd in] 1977-78 is less promising.

Building materials

Tunnel Cement's interim [pro]fits are 41 per cent. ahead a[nd it] is running its existing pla[nt] close to capacity, but it is denying that prospects [for] demand are looking increas[ingly] grim. With the closure of West Thurrock works it ha[s cut] its capacity by almost a [...] and is now talking in tern[s of] cement deliveries 8 to 9 [per] cent. lower in calender [...] against 5 to 6 per cent. [esti]mated a few months ago [and] the prospect of another 5 [per] cent. dip next year. At [these] levels 1977 cement output [would] be around 25 per cent. dow[n on] 1973 levels.

With builders forecasting 1977 *housing starts may* [be] 40,000 to 60,000 down on [this] year's estimated 16[0,000], *Tunnel's gloomy views* f[it] Redland's recent comments [that] its sales volume in the [...] *would be perhaps* 15 per [cent.] lower in 1977-78.

Weather

U.K. TO-DAY

CLOUDY, bright intervals. Rain in places.

London, E. Anglia, E. Midlands, Chanel Is., S.E., Cent., S., S.W. England

Cloudy, dry, some sunny *patches*. Max. 10C (50F).

W. Midlands, Wales, Lakes, Is. of Man, S.W. Scotland, N.W. and Cent. N. England

Cloudy, dry. Max. 10C (50F).

N.E. England, Borders, Edinburgh, Dundee, Aberdeen areas

Cloudy and dry, some bright intervals. Max. 10C (50F).

Highlands, Moray Firth area, N.E. Scotland, Argyll, N. Ireland

Cloudy, dry, light rain later. *Max. 10C (50F).*

N.W. Scotland, Orkney and Shetland

Cloudy, rain at times. Max. 8-10C (46-50F).

Outlook: Rain, chiefly in N. and W. Some sun.

Lighting-up: London 16.29, Manchester 16.29, Glasgow 16.26, Belfast 17.39.

BUSINESS CENTRES

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Amstrdm	R	9	48	Luxembg	C	3	37
Athens	C	9	48	Madrid	S	11	52
Barcelona	S	11	52	Manchstr	C	10	50
Belfast	C	9	48	Melbourne	C	16	60
Belgrade	C	1	34	Montreal	C	−1	30
Berlin	Sn	1	34	Moscow	C	−3	27
Birmnghm	C	10	50	Munich	C	1	34
Bristol	R	9	48	Newcastle	C	10	50
Brussels	R	5	41	New York	S	4	39
Budapest	C	23	73	Oslo	S	−3	27
Cairo	D	21	70	Paris	C	5	41
Cardiff	F	8	46	Perth	F	24	75
Cologne	R	5	41	Rio de J'o	S	32	90
Copenhgn	S	2	36	Rome	S	13	55
Dublin	C	8	46	Singapore	S	29	84
Edinburgh	C	11	52	Stockholm	F	−4	25
Geneva	S	5	41	Sydney	C	23	73
Glasgow	C	11	52	Tehran	C	12	54
H. Kong	S	18	64	Tokyo	C	12	54
Jo'burg	C	26	79	Toronto	C	−2	28
Lisbon	S	9	48	Vienna	C	3	37
London	C	8	46				

HOLIDAY RESORTS

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Biarritz	S	8	46	Jersey	C	10	50
Blackpool	C	10	50	Las Palms	F	21	70
Bordeaux	F	9	48	Majorca	C	12	54
Cape Tn.	R	18	64	Malaga	F	15	59
Florence	S	11	52	Malta	C	13	55
Gibraltar	F	15	59	Nairobi	S	23	73
Guernsey	C	10	50	Naples	S	11	52
Innsburck	C	0	32	Nice	F	14	57
Inverness	C	11	52	Venice	S	8	46
I. of Man	F	10	50				

R—Rain. C—Cloudy. Sn—Snow. F—Fair. S—Sunny. D—Dusty.